WISCONSIN

Paul E. Kleist, Hustisford.
Donald C. McDowell, Soldiers Grove.

WYOMING

W. Leroy Call, Afton.

HOUSE OF REPRESENTATIVES

TUESDAY, *June 17, 1930*

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

O Spirit of Immortal Life, fill us with the certainty of Thy presence. Bless us all with the sense of Thy graciousness that we may strangely forget disappointment and find ourselves strong in Thee and made cheerful to pursue our work. May we never look with contempt upon the world nor our country nor our institutions. Always help us to rise to the very best things of life. If we are compelled to walk in affliction, may we rejoice as we do so. If defeat comes into our lives, give us the spirit of triumph. Break down the walls that separate men, and may we serve them with all their imperfections. Through Christ our Savior. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Craven, its principal clerk, announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 3619) entitled "An act to reorganize the Federal Power Commission."

The message also announced that the Senate had passed a joint resolution of the following title, in which the concurrence of the House is requested:

S. J. Res. 192. Joint resolution providing for the preparation and presentation of drafts of legislation affecting the pay and promotion of the commissioned and enlisted personnel of the Army, Navy, Marine Corps, Coast Guard, Public Health Service, and Coast and Geodetic Survey.

The message also announced that the Senate agrees to the amendment of the House to the joint resolution (S. J. Res. 190) entitled "Joint resolution authorizing the Postmaster General to accept the bid of the Mississippi Shipping Co. to carry mail between United States Gulf ports and the east coast of South America."

SPEAKER PRO TEMPORE FOR TO-MORROW

The SPEAKER. The Chair designates the gentleman from Connecticut [Mr. TILSON] to act as Speaker pro tempore to-morrow.

PAY AND PROMOTION OF PERSONNEL OF ARMY, NAVY, AND MARINE CORPS, ETC.

Mr. FRENCH. Mr. Speaker, I ask unanimous consent to take from the Speaker's table and consider at this time Senate Joint Resolution 192, providing for the preparation and presentation of drafts of legislation affecting the pay and promotion of the commissioned and enlisted personnel of the Army, Navy, Marine Corps, Coast Guard, Public Health Service, and Coast and Geodetic Survey, which has just been messaged over from the Senate.

The SPEAKER. The gentleman from Idaho asks unanimous consent to take from the Speaker's table Senate Joint Resolution 192, and consider the same. The Clerk will report the Senate joint resolution.

The Clerk read the title of the Senate joint resolution.

The SPEAKER. Is there objection to the request of the gentleman from Idaho?

Mr. McSWAIN. Mr. Speaker, reserving the right to object, is the purpose of this resolution to take out of the legislative committees the whole question of promotion, to authorize this Joint Committee on Pay to report legislation dealing not only with pay but also the subject of promotion?

Mr. FRENCH. The effect of the resolution is recited in the last several lines of section 3, wherein the joint committee that was created last February, and which was charged with making a report on the pay situation for the several services, would be charged with the responsibility of reporting recommendations, by bill or otherwise, to the Senate and the House of Representatives relative to the promotion and the readjustment of the pay and allowances of the commissioned and enlisted personnel of the several services mentioned in the title of the joint resolution.

The joint pay committee in endeavoring to work out the problem that Congress placed upon it found itself confronted with a very serious situation on account of the different methods of promotion in the several services. The fact is that the promotion question goes right to the heart of the pay question. It does not meet the situation to say that you have officers in the several services of comparable rank, regardless of their nominally equivalent grades, providing the promotion plans in one service are different from the promotion plans in another. For instance, at this time there is a difference in the promotion plans that pertain to the Army in contrast with the promotion plans that pertain to the Navy to such an extent that I venture to say that nearly all Army officers are rather resentful as they look across and see promotion going to naval officers at an age junior to that of Army officers in attaining a rank that is comparable. For instance, take the rank of major in the Army or the Marine Corps, which is said to be equal to the rank of lieutenant commander in the Navy. If you say that the pay and emoluments and allowances of these relative officers are the same, you do not meet the question if, under a system of promotion, the lieutenant commander may be advanced to his rank several years earlier in life than officers in the Army or the Marine Corps would be advanced to the corresponding rank of major. In other words, we have introduced this resolution, representing the unanimous vote of our committee, with the judgment that promotion is part of the pay problem and thus lies at the very heart of the question of any reasonable pay bill. In the pending resolution we do not seek to change any law. We do not incur any obligations for the Treasury to meet. We seek for information and tentative language that would provide for the several services the provisions we are undertaking to shape for the consideration of the Congress.

Mr. McSWAIN. Mr. Speaker, will the gentleman yield?

Mr. FRENCH. Yes.

Mr. McSWAIN. Is not the purpose of the resolution to authorize the joint committee of which the distinguished gentleman is a member to bring in a bill and put that bill on the calendar for consideration by the House, without that ever having been considered by either of the legislative committees involved? That was the construction put upon the resolution with reference to the pay situation, and, as I apprehended, on the same language, with reference to the promotion matter, so that whatever bills may be recommended, if this should become a law, would go upon the calendar and be considered, and the legislative committees would be simply sitting on the side line observing the main performance of the circus?

Mr. FRENCH. Any bill reported by the joint pay committee would have the standing of a bill that would be placed upon the calendar by any permanent committee of the House.

Mr. McSWAIN. Mr. Speaker, there may be much merit in the argument of the gentleman, but the matter was brought up in the Committee on Military Affairs a few moments ago. Some of us desired to look into it somewhat, and for that reason I am compelled to object for the time being.

Mr. CRAMTON. Will the gentleman withhold his objection a moment?

Mr. McSWAIN. I withhold it; yes.

Mr. CRAMTON. Mr. Speaker, my point of view may differ somewhat from the gentleman from South Carolina, but I do not believe that the Congress wants to adopt any legislation that means a wholesale pay advance to the Army and Navy, whether through promotions or otherwise. This resolution sets up a new commission to be appointed by the President, not by the Congress, representing all the different services. No one of these services is interested in economy in the expenditure of public funds. Each one of them is concerned about improving pay conditions in that particular service, and the information that comes to Congress from a commission organized in that way does not impress me as being likely to be the kind of information upon which Congress can ever base any kind of an economy program; and hence I also feel that the House should take some time before it authorizes that kind of a commission. The commission that has been organized under authority of Congress, made up of Members of the House, is amply qualified, and may be expected and is expected to protect the Treasury. But a commission made up of representatives of the various services can not be expected to do anything in the way of economy.

Mr. STAFFORD. There is nothing to prevent the representatives of the respective services, the Army and Navy, from making recommendations to the joint committee under the powers delegated to the commission, and the main purpose of the joint committee will be to harmonize the differences. I can not see where there can be any real utility in aid of the work

of the joint committee in having this new commission appointed. I can see that the committee may wish to call upon the Secretaries of the Army and Navy to harmonize a matter of promotion, but more than that, you are surrendering everything to these men to go upon the ground and investigate, because they will pass upon it.

Mr. FRENCH. The gentleman has not read closely the resolution, otherwise he would not come to that conclusion. A great difficulty which now confronts the Committee on Appropriations in the matter of appropriations for the different services is that legislation providing for one department, reported by one legislative committee, gives advantages in some directions that are not given to the service reported upon by another legislative committee. When employees of the Government, in this case officers of various departments, do not receive equal advantages as to pay, allowances, promotion, or other factors as are accorded in another department, they always ask to be made equal to the most favored. They do not ask that the others be reduced. Rather they assert, "We want to have the same advantage."

Mr. CRAMTON. I recognize the force of that, and this Congress has organized a congressional commission to study questions of pay, and so forth, in all the different services. It seems to me—and I have no doubt of it—that the commission has ample authority now, and certainly can secure from the departments the various information which this resolution provides for, and I think they ought to do it.

Mr. BLANTON. Mr. Speaker, the regular order.

The SPEAKER. The regular order is demanded.

Mr. McSWAIN. I shall object.

Mr. SNELL. Will the gentleman withhold his demand for the regular order.

Mr. BLANTON. I withhold it; yes.

Mr. SNELL. This commission in making a study of the question of promotion will find it will be so closely united with the pay proposition that it seems impossible to make a proper recommendation in regard to pay unless the commission has before it what all these various departments have in mind to recommend to the various committees of the House in regard to promotion. It is absolutely necessary for this committee to have definite information, and they are only asking for that commission at this time in order to obtain the proper information.

Mr. CRAMTON. I had assumed that the commission created by Congress would study the question of promotion as an essential part of the program they are studying. If that commission lacks any authority, it is agreeable to me to give it to them. But to set up another commission, appointed by the President, authorized to draft legislation and come to Congress and report, does not meet with my approval.

Mr. SNELL. This new committee does not report legislation.

Mr. STAFFORD. It reports a draft of a legislative bill. Indirectly it is legislation.

Mr. SNELL. They report to the joint commission, and they will look it over.

Mr. CRAMTON. Let me read from section 2 of this Senate Joint Resolution 192:

> The board appointed pursuant to section 1 hereof shall present with its report a draft of a legislative bill embracing both of the plans indicated in section 1 hereof.

Mr. SNELL. They report to this committee, already set up, and they will consider it in connection with the proposed bill.

Mr. CRAMTON. Has the gentleman from New York any idea that the information to be reported to Congress by this new committee can not otherwise be obtained? They will have no trouble in getting it.

Mr. SNELL. If these promotions are going to take place, I am opposed to increasing the salaries all along the line. I want that information before we undertake the other matter.

Mr. CRAMTON. I know what the services think. They look upon this whole thing as a pay-increase program, but that is not the purpose of Congress.

Mr. SNELL. Are you opposed to this commission getting the information they think is necessary to make proper recommendations?

Mr. CRAMTON. I am in favor of the commission getting the information itself, but not in favor of setting up a new commission to draft its own legislation and present it to Congress.

Mr. SNELL. They do not. They present it to a commission of which the gentleman from Idaho [Mr. FRENCH] is chairman, as I understand it.

Mr. CRAMTON. I think the joint committee can do all they need to do without this commission.

Mr. McSWAIN. I am compelled to say that the proposition to place personnel from the service on this board which is to have authority to report a bill is just like in a damage suit drawing all the jurors from the family of the plaintiff and his relatives.

Mr. SNELL. I am sure from what the gentleman from Idaho tells me, that that committee only makes recommendations to the commission which has been set up by Congress.

Mr. McSWAIN. But that is to be in the form of legislation and goes on the Calendar of the House.

Mr. FRENCH. Oh, no; I made no such statement as that.

Mr. McSWAIN. I so understood the gentleman, because that was the ruling of the Speaker with reference to the gentleman's motion.

Mr. FRENCH. That is a different question.

Mr. McSWAIN. Well, I can not agree to this to-day. We will have to look into this.

Mr. TILSON. As I understand, this proposed recommendation in the form of a bill will simply be information from the different services as to what they would consider proper promotions.

Mr. McSWAIN. My friend knows that they already have a joint board that has been functioning now for two years in the departments, and furnishing all of this information to the commission. If they are put in here officially, they will claim a status and will have an influence that they should not have.

Mr. TILSON. Nothing that they will present will be considered as anything more than a presentation of their case to the congressional committee authorized to study and report upon the matter.

Mr. McSWAIN. I am obliged to object now.

Mr. JOHNSON of Washington. May I ask a question? In the last analysis is this not to appoint a commission to report to a commission already appointed, which is a congressional commission? Is that not about it?

Mr. SNELL. It is simply to get information for this committee which the House says it wants, before passing on the pay of the various services of the Government.

Mr. JOHNSON of Washington. It would be an arm of Congress then?

Mr. SNELL. It is simply to help them get the information. If you do not want to get it it is all right with me.

Mr. FRENCH. May I make one further statement? All the committees of Congress call upon the departments for information from time to time. We are attempting to work out a plan whereby we can call for the same information simultaneously, to be scrutinized by the several departments affected, and report to the Congress for the information of the Congress.

Mr. McSWAIN. The gentleman knows that the Committee on Military Affairs has been struggling with this problem of promotion for years; that an outrageous and egregious injustice and wrong was committed in 1920 as a result of hasty and ill-considered legislation.

Mr. SNELL. That came from the Committee on Military Affairs. You recommended it to the House, and that is what we want to guard against in the future.

Mr. McSWAIN. I know it came from the Committee on Military Affairs.

Mr. SNELL. Then do not blame us for it.

Mr. McSWAIN. But here is a suggestion made for the first time yesterday, asking unanimous consent to give authority to take one more step along this line, which I can not consent to at this time. I am sorry, but I can not.

Mr. FRENCH. Does the gentleman realize that if the promotion bill that is pending in the House, having passed the Senate, were to be so framed as to give promotions in the Army in comparable degree with what is provided in the Marine Corps bill, which has been reported and is upon the calendar, you would add between 200 and 300 officers, in my judgment, to the Army above the rank of major, probably beginning with lieutenant colonel, over and above what the Army now has?

Mr. McSWAIN. I am thoroughly familiar with the bill which passed the Senate in December, unanimously. I do not know how many were on the floor, but it passed unanimously, and now it can not get out of the House Committee on Military Affairs.

Mr. FRENCH. But the point I raised, which I think the gentleman missed, is that here are two bills pending, one bill providing for promotion in the Marine Corps, which provides a certain ratio of officers in the several grades, they would be provided for the Army by another bill. If you were to take the proposed Marine Corps ratio and apply it to the Army you would have to add between 200 and 300 officers of higher rank to the Army, over and above what the Army now has by law. This would be discrimination against the Army. It is such things as that with which this committee is concerned as it attempts to frame a pay bill. Each service comes in and wants to bring every feature of its particular service up to the very

best there is, the very highest there is in any other service. If the best condition is in the Navy in some particular, then all other services try to boost their advantages up to the conditions set by the law for the Navy.

If the most favored feature in some other aspect is in the War Department, then the Navy, the Marine Corps, the Coast Guard, and the Public Health Service boost for their own elevation to meet the condition in the War Department. If the most favored condition is in the Coast Guard, then all along the line the other services demand laws raising their conditions to the condition of the Coast Guard. All services want to adjust upward. We are seeking to do a sensible, businesslike thing, provide information at a common time, on common subjects, from the several services that we may study and equalize the pay situation for these various agencies of our Government.

I do not know whether it means a raise of compensation of $1 or whether it means a reduction of compensation of $1. We are not asking the services to fix their own pay. We are seeking information upon which we can act in an intelligent way before this Congress.

Mr. CRAMTON. If the gentleman will yield, does my friend have any idea that the representatives of those several services will ever put their names to a bill that means a decrease of salary for anybody in any of those organizations?

Mr. FRENCH. That is not the point at all. Our committee will not pass its responsibility.

Mr. CRAMTON. But if your committee, instead of just getting information, has to wait until that special commission has agreed on a draft of a bill you will be detained somewhat. The only kind of a bill they would agree upon would be one that meant an advance, and unless you want that kind of a bill from them you will have to wait quite a while.

Mr. TILSON. But does not the gentleman understand that if they should recommend promotions all along the line that then the congressional committee, which is going to consider the question of pay, would adjust the pay in accordance with the promotions and it might not be an increase of pay at all? What the congressional committee is trying to do is to adjust the pay in accordance with the promotions.

Mr. CRAMTON. I will say that what alarms me is that draft of a bill, but the information that would go to the commission, I think, would be helpful.

Mr. OLIVER of Alabama. The gentleman from Michigan seems to be laboring under the assumption that the joint pay committee would accept absolutely any recommendations that this commission, appointed for the purpose of getting information for them, might submit, but as to this he is in error, since the joint pay committee is seeking information on which to frame a bill that later they can recommend to the House and Senate.

Our committee has given no approval as yet to the recommendations of the joint interdepartmental board. If this committee followed blindly recommendations of other boards or commissions, they might have brought in a bill long ago, and it is because the joint pay committee is interested in presenting to Congress in an intelligent way definite and well-considered recommendations for their consideration that suggested to our committee the wisdom of having a commisison like this appointed to make a joint study of the matters involved.

Mr. CRAMTON. How was that interdepartmental board organized? Was it by act of Congress and selected by the President?

Mr. OLIVER of Alabama. No.

Mr. CRAMTON. Then there is nothing to prevent the interdepartmental board on promotions being constituted just as the interdepartmental pay board was constituted?

Mr. McSWAIN. And they would not know a bit more nor be able to give one whit better information in connection with this study than they are now. This resolution is useless.

Mr. BLANTON. Mr. Speaker, this is such controversial matter that I call for the regular order.

The SPEAKER. The regular order is: Is there objection?

Mr. McSWAIN. Mr. Speaker, I object.

JACKSON D. WISSMAN

Mr. IRWIN. Mr. Speaker, by direction of the Committee on Claims, I ask unanimous consent to take from the Speaker's table H. R. 515, to extend the benefits of the employees' compensation act of September 7, 1916, to Jackson D. Wissman, a former employee of the Government Dairy Farm, Beltsville, Md., and concur in the Senate amendment.

The SPEAKER. The gentleman from Illinois asks unanimous consent to take from the Speaker's table House bill 515 and concur in the Senate amendment. The Clerk will report the bill and the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Strike out all after the enacting clause and in lieu thereof insert the following:

"That sections 17 and 20 of the act entitled 'An act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other purposes,' approved September 17, 1916, as amended, are hereby waived in favor of Jackson D. Wissman, a former employee of the Government Dairy Farm, Beltsville, Md."

The SPEAKER. Is there objection?

Mr. GARNER. As I understand, this is a House bill with a Senate amendment?

Mr. IRWIN. Yes. The House passed the bill, it went to the Senate, and the Senate changed the wording a little bit, but not in substance.

Mr. GARNER. This bill was passed in the House by unanimous consent?

Mr. IRWIN. Yes; and I have the assurance of the minority members of the committee that this action is satisfactory to them.

The SPEAKER. Is there objection?

There was no objection.

The Senate amendment was agreed to.

The title was amended.

CONFERENCE REPORT—DISTRICT OF COLUMBIA APPROPRIATION BILL

Mr. SIMMONS. Mr. Speaker, I present a report of general disagreement on the part of the House conferees on the District appropriation bill, H. R. 10813, and ask that amendment No. 1 be reported.

The Clerk read the conference report, as follows:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 10813) making appropriations for the government of the District of Columbia, and other activities chargeable in whole or in part against the revenues of such District for the fiscal year ending June 30, 1931, and for other purposes, having met, after full and free conference have been unable to agree.

ROBT. G. SIMMONS,
WM. P. HOLADAY,
M. H. THATCHER,
CLARENCE CANNON,
ROSS A. COLLINS,
Managers on the part of the House.

HIRAM BINGHAM,
LAWRENCE C. PHIPPS,
ARTHUR CAPPER,
CARTER GLASS,
JOHN B. KENDRICK,
Managers on the part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 10813) making appropriations for the government of the District of Columbia, and other activities chargeable in whole or in part against the revenues of such District for the fiscal year ending June 30, 1931, submit the following written statement explaining the effect of the action agreed on by the conference committee and submitted in the accompanying conference report:

The conferees between the two Houses have been unable to reach any conclusion.

ROBT. G. SIMMONS,
WM. P. HOLADAY,
M. H. THATCHER,
CLARENCE CANNON,
ROSS A. COLLINS,
Managers on the part of the House.

The SPEAKER. The Clerk will report the first amendment in disagreement.

The Clerk read as follows:

First amendment in disagreement: Page 2, line 5, strike out "$9,000,000" and insert "$12,000,000."

Mr. SIMMONS. Mr. Speaker, I move that the House insist on its disagreement to the Senate amendment, and on that I ask recognition.

The SPEAKER. The gentleman from Nebraska is recognized. [Applause.]

Mr. SIMMONS. Mr. Speaker, ladies and gentlemen of the House, I do not propose to go at length this morning into the

subject of the fiscal relations between the United States and the District of Columbia. At different times I have presented that matter to the House, and other Members have. I think the House thoroughly understands the issue. We have reached a point, however, where I desire an expression of the will of the House on this matter. There is no new issue that has not been presented to the House since I spoke on the matter last week, except an effort on the part of the public press of Washington to involve the President of the United States in the controversy. So far as I know, the President has taken no action one way or the other in this matter. So far as the Executive is concerned, the position of the House is the position of the President as expressed to the Congress in his Budget message. We are maintaining that position in the conference with the Senate.

Mr. BLANTON. Will the gentleman yield?

Mr. SIMMONS. Certainly.

Mr. BLANTON. This unjustified attack in the Washington newspapers is not only an effort on the part of the press of Washington to involve the President, but it is an effort on the part of the press to browbeat and coerce the gentleman from Nebraska, the Speaker of the House, the chairman of the Rules Committee, and even the floor leader of the House, and it is something I think the House ought to resent, and I hope the House will give the fearless, able, and distinguished gentleman from Nebraska [Mr. SIMMONS] a 100 per cent vote on this proposition. [Applause.]

Mr. MOORE of Virginia. Will my friend from Nebraska yield?

Mr. SIMMONS. I yield.

Mr. MOORE of Virginia. The gentleman is always very frank and I am not going to trouble him by trying to go into any of the personal questions that have just been suggested, but I will ask the gentleman if this is not the exact situation: In case there should be a deadlock on this item between the Senate and the House, then the activities of the District of Columbia would have to be conducted pursuant to a resolution? This is to be assumed, I think.

Mr. SIMMONS. Yes, sir.

Mr. MOORE of Virginia. If this deadlock takes place this time and the attitude of the House and the attitude of the Senate are unchanged, I take it for granted that hereafter there will be no appropriation bill passed, but the business of the District must be continued under such resolutions.

Mr. SIMMONS. If the gentleman please, my good mother always taught me not to worry about things that would probably never happen. I do not think we should worry about anything of that kind happening to this bill. I may say to you that personally I have very good reason to believe the bill will pass before the Congress adjourns.

Mr. MOORE of Virginia. I should hope so, but I am taking the premise that it might not and that there may be a similar dispute and unadjusted controversy in the future, and I would like to ask the gentleman this question: The people of the District have no voice in this matter. Whatever the press of the District may say is an expression of the press. The District is in the position of an innocent bystander. Would the gentleman approve the following suggestion? In case the rules of the two bodies could be made to so provide, would the gentleman agree upon some such compromise as this: To maintain the lump-sum appropriation for the coming fiscal year and incorporate in the appropriation act a provision creating a joint commission of an official character that might investigate and recommend periodically to Congress what should be the contribution of the Federal Government to the expenses of the District?

Mr. SIMMONS. Oh, if the gentleman please, I have discussed at length with the District legislative committee of the House my reasons for opposing the type of commission which the gentleman proposes. That is not in issue now. It is not involved in the motion that is before the House, and I do not desire to discuss it here. At a proper time I would be pleased to do so.

Mr. MOORE of Virginia. I certainly would not have asked my friend the question except for my knowledge of his frankness, as well as his great familiarity with the situation. Personally, if the gentleman will let me take a moment more, I have the very strong conviction, without any prejudice one way or another and without assuming to know whether $9,000,000 is too much or too little, that we ought to try to put a stop to this endless controversy, and I do not see any other way of doing it than by the creation of a proper commission.

Mr. SIMMONS. This is not the proper time to discuss that question.

Mr. GARNER. Will the gentleman yield?

Mr. SIMMONS. I will gladly yield to the gentleman from Texas.

Mr. GARNER. Let me suggest, if I may, to the gentleman from Virginia, that there is one way to settle it, and the Congress has been settling it in that way for the last five years; and that is for the House to make its appropriation, insist upon this appropriation, and pass the bill. This is the only way you can do it. The gentleman speaks about having a deadlock. There is not going to be a deadlock. There was an intimation that the Senate would hold up this appropriation bill and we would pass a resolution, and the very gentlemen who are asking them to hold up this conference report and are insisting on the Senate amendment will be the ones who will come in, yield, and pass the bill. [Applause.] It has been done in that way before, and it will always be done in that way.

Mr. MOORE of Virginia. I hope the gentleman will not assume I am one of those advising a deadlock.

Mr. GARNER. No; I acquit the gentleman of anything of that kind. I realize the gentleman's position. I realize the position of any gentleman who represents in Congress an adjoining Maryland or Virginia district. I pity them. I would not want to represent them on account of the annoyance I would have from personal interviews and things of that kind.

But there is a duty that the Members of this Congress owe their own constituencies, and in my judgment if they failed to perform this duty they would be betraying the people they represent, because they would continue to make of this District a refuge for tax dodgers, and that ought not to be done. [Applause.] I believe I would betray the constituents of my State if I took any other position with respect to increasing this appropriation in order to continue to make the District, I repeat, a refuge for tax dodgers who get rich and come to the District of Columbia because it has the lowest tax rate to be found anywhere in the United States.

Mr. MOORE of Virginia. If I may be allowed to proceed, I would like to ask the gentleman from Texas a question.

Mr. SIMMONS. I yield; certainly.

Mr. MOORE of Virginia. It is the truth to say that while the gentleman from Nebraska honestly believes he has all the information to be obtained—and there are one or two other gentlemen in the same position—the great majority of the Members of the House actually do not know at this moment what ought to be, in fairness, the contribution. Does my friend think it is without precedent or unreasonable to ask that a commission should be created to investigate and find all the facts and recommend periodically to Congress, with the power, of course, in the Congress to accept or reject such recommendations?

Mr. GARNER. If the gentleman will yield to me, I will undertake to answer the gentleman's question, at least to my own satisfaction.

Mr. SIMMONS. I yield.

Mr. GARNER. The gentleman wants a commission appointed. I am perfectly willing to have a commission appointed, but I want that commission to be composed of Members of this House. [Applause.] This House has made such an investigation, since I have been a Member of the House, commencing with the investigation of Ben Johnson. It has reviewed the history of the District of Columbia and it has given the information to the country. The gentleman from Mississippi [Mr. COLLINS] contributed to that work not more than two years ago. The gentleman made an exhaustive study of the matter. The Committee on Appropriations makes an exhaustive study of the question each year. Now, what else do you want? What you want, in my opinion—I am not speaking of the gentleman personally—what the people want who desire to shift the burden of supporting this District is to establish a commission of the character the gentleman speaks of that will go out and prepare data with which they can overwhelm the Congress, and I do not want that to be done. [Applause.]

Mr. MOORE of Virginia. Let me say to my friend that he knows that against the authorities he has cited stand the District Commissioners appointed by the President charged with heavy responsibilities on the legislative committees on the District. Is it to be said in that situation it is reasonable to hold that we must not investigate conditions so that Congress may be fully and impartially advised? I do not think either my friend or I are prepared to say on our conscience that $9,000,000 is either too much or too little.

Mr. GARNER. What little attention I have given to this has been revised by what I think are the outstanding Members of Congress; men of undoubted ability and integrity. They have made to my certain knowledge since I have been a Member of Congress four thorough investigations and in each instance they have come to the conclusion that the District of Columbia is the most favored area in the Nation in regard to the burdens of taxation.

Now, I am not willing to create any commission to change that situation and give the American people more burdens. I hope this motion of the gentleman from Nebraska will be sustained 100 per cent, and that we show the Senate once and for all that we are not going to make this city a refuge for tax dodgers. [Applause.]

Mr. GRIFFIN. Mr. Speaker——

The SPEAKER. The gentleman from Nebraska has the floor.

Mr. SIMMONS. I yield to the gentleman from Connecticut [Mr. TILSON].

Mr. TILSON. Mr. Speaker, from time to time we see in the papers of Washington an attempt to show that the gentleman from Nebraska is conducting a lone fight against the District of Columbia. The issue involved in the Senate amendment to this bill does not appear to me to be a 1-man proposition. Speaking as one Member of this House I wish to say that the gentleman from Nebraska, so far as I can ascertain, represents the will of the House. [Applause.]

The gentleman from Nebraska from time to time has talked this matter over with me as the majority leader. He has done this as the chairman of the subcommittee in charge of making appropriations for the District of Columbia. To me he has never shown an arbitrary or stubborn disposition in connection with the $9,000,000 contribution. While he has not taken an arbitrary stand, he has taken a stand as if he were from Missouri and insisted upon being shown. So far as I have learned, nothing has been shown to prove that we ought to change from the lump sum of $9,000,000, which we have been appropriating for the past five years. The amount heretofore appropriated has served the purpose. It has kept the tax rate of the District down to a low rate.

So far as the Budget is concerned the estimate sent to Congress says that $9,000,000 will cover the entire Budget of expenses without any suggestion of raising the tax rate. With a $12,000,000 appropriation as proposed by the Senate amendment there would be something like $4,000,000 left as a surplus. Why should this be done? The Budget has considered the matter and has recommended $9,000,000 contribution as heretofore. The House itself has considered it, the House passed it at this figure, and we have waited until this good hour for some good reason to be shown why the sum should be increased. We of the House are not disposed to be arbitrary, we all wish to do the right thing, and I believe that the people of the United States all want us to do the right thing toward the District of Columbia.

Mr. GARRETT. Will the gentleman yield?

Mr. TILSON. Yes.

Mr. GARRETT. Is it not a fact that in every city in the United States except the District of Columbia the taxes on the people have been raised time and time again in the last five years, and in some of them doubled?

Mr. TILSON. I know it well enough from experience. The people of the District of Columbia have a very low tax rate, so low that I do not see where there is ground for complaint. [Applause.] I do not think there should be ground for complaint. I wish to stand up for the District of Columbia and give the District all it should have. I would be the last one to impose an unjust or even a high tax rate upon the people of the District.

Mr. GARNER. Will the gentleman yield?

Mr. TILSON. Yes.

Mr. GARNER. The gentleman will remember that about a month ago the Speaker had occasion to take the floor upon a bill providing for the condemnation of land for building an additional office building for the membership of this House. He recited the situation at that time, and I call it to the attention of the House now because it is pertinent. The universal rule in the District of Columbia, when the Government needs property for its own purpose, is to exact double the value of it from the Government. That has been the rule, and it is the rule now. It is absurd to say that people who pay a tax rate of $1.70 on a 50-cents-on-the-dollar assessment are not being well treated.

Mr. TILSON. The instance just cited indicates that the assessment here is not high. We know, as a matter of fact, that it is low, but the selling price is high as we find to our sorrow when we attempt to buy land. The assessment being low and the rate being low, there is certainly no ground for complaint on the part of the taxpayers of the city of Washington, and I repeat that I do not wish that there should be any ground for complaint.

Mr. BLANTON. Mr. Speaker, will the gentleman yield?

Mr. TILSON. Yes.

Mr. BLANTON. The indisputable proof of the fact that $9,000,000 is enough is the fact that the present low tax rate of $1.70 covers all of the expenses of the District.

Mr. TILSON. It is good proof that it is a sufficient sum, but if it can be shown that it requires more than we are now contributing in order to keep a reasonable tax rate in the District of Columbia, then I shall favor raising the amount that Congress appropriates for the support of the District.

Mr. SIMMONS. Mr. Speaker, I yield five minutes to the gentleman from New York [Mr. GRIFFIN].

Mr. GRIFFIN. Mr. Speaker, this is not a question of whether or not the $9,000,000 Federal contribution should be raised. Neither is it one that it should be lowered. It is a question wholly of getting at the truth fairly and squarely, without resentment, without meretricious arguments that have no bearing on the issue. Raising the question of the small tax rate paid by the citizens of the District is not relevant. A person would imagine from the criticisms heard to-day that a low tax rate for a municipality is something to condemn. I think the District ought to be complimented on having a low rate. Likewise, raising the question as to the amount of money that the Government pays for property that is acquired and the injection of other questions which show feeling and resentment against the people of the District have nothing whatever to do with the question.

I was on this subcommittee for several years. I was on it until I got tired of it. What are the facts?—and I speak advisedly. I wrote a speech on the subject and called it the Magic Nine Million, in which I went into all of the financial complexities of the situation. What were they? First of all, I assure gentlemen that I am not fighting for an increase of the amount of the contribution; I am not saying that $9,000,000 is too large or that it is too small. The point I want to accentuate is this, that the law, which is still on the statute books, provides that the contribution shall be 40 per cent. The ratio of 40-60 is now the law. That law was flouted a few years ago on the motion of the gentleman from Michigan [Mr. CRAMTON], who was able to convince the Appropriation Committee that $9,000,000 was enough.

Mr. COLLINS. Mr. Speaker, will the gentleman yield?

Mr. GRIFFIN. I can not yield at this time unless I can get some more time from the gentleman from Nebraska.

Mr. SIMMONS. I will yield the gentleman additional time in which to yield to the gentleman from Mississippi.

Mr. COLLINS. The gentleman realizes in making that statement that we legislated when we fixed the figure in the War Department appropriation bill at $9,000,000. An appropriation bill is legislation just the same as other bills.

Mr. GRIFFIN. It is an arrogant assertion of a right despite the statute.

Mr. COLLINS. But it is legislation.

Mr. GRIFFIN. You are asking us to legislate—this year $9,000,000—next year——

Mr. COLLINS. The Holman rule permits the House to legislate on an appropriation bill.

Mr. GRIFFIN. The gentleman is on the committee with me, and he knows as well as I do that the Appropriations Committee has no right to legislate, and that is what they are doing. They are, in effect, nullifying an act of Congress.

Mr. COLLINS. But under the Holman rule we have a right to legislate.

Mr. GRIFFIN. They have the right if the House consents. I am concerned only with the attitude of this House, and I do not like the spirit of resentment and animosity and unwillingness to go into the facts.

The real question is what ratio should the Federal Government contribute toward the government of the District. It is evident that it ought to bear a reasonable proportion, corresponding to the amount of property which the Federal Government owns in the District. Nobody has ever succeeded in fixing that definitely. We had the Bureau of Efficiency working on it, and the gentleman from Nebraska [Mr. SIMMONS] worked on it. I worked on it, and the gentleman from Mississippi [Mr. COLLINS] worked on it. There was always more or less difference. Our friend from Nebraska says that the contribution ought to be less than $9,000,000. That is quite agreeable to me. Place it at less than $9,000,000 if that is found to be proper. I am not concerned about it being more than $9,000,000, but place it on a definite, scientific basis, which bears some ratio to the obligations of the Federal Government to the District. I welcome the suggestion of our friend from Virginia [Mr. MOORE] that a commission be appointed to settle the question impartially, and not leave it to the arrogant domination of a few men in the House overwhelming us with resentment and animosities whenever the matter comes up for consideration. It ought to be decided by such an impartial commission, and the contribution ought to bear some just proportion between the

obligations of the Federal Government and those of the District. All I am appealing for is fair play.

It ought to be obvious that no hard and fast, inexorably fixed sum—arrogantly set, year after year, at $9,000,000, or any other sum—can accord exact justice either to the Federal Government or to the District. To fix such a lump sum as the annual contribution of the Federal Government—whether the total appropriations for the District are $28,000,000 or $45,000,000—is inequitable on its face. It is nothing but clumsy guesswork, which any self-respecting legislative body ought to instantly repudiate.

Mr. Speaker, the trouble is that, as usual, this issue comes up so late that even if a change were to be made in the Federal contribution it would be of no practical value. The tax rate of $1.70 per hundred and the estimated expenditures for the fiscal year have all been settled. An increase of the Federal contribution on the pending bill, therefore, would not lower the settled rate of taxation or contribute a single dollar to the furtherance of any municipal project. Such an increase would simply go into the surplus fund and lie fallow for subsequent disposition.

When this same question was up two years ago, in a speech in the House on April 20, 1928, I pointed out the awkwardness of this situation in the following language:

> Whether $9,000,000 as a lump-sum contribution is right or wrong, exact or inexact, the fact remains that the estimates of the present appropriation bill were figured out on the basis of that contribution. It amounts to about 29 per cent of the appropriation bill before us. To transform the $9,000,000 into a 29 per cent contribution would not affect the result. However, to raise the contribution to 33⅓ per cent or 40 per cent would raise the Federal contribution to such a sum as would create a surplus. The tax rate for the current year is already fixed at $1.70, so the surplus derived from the Federal Government under such a change would go into a blind pool of no advantage whatever to the taxpayers, at least for the current year.
>
> However, that does not change the obvious conclusion that some method other than either the lump sum or the ratio basis should be adopted in the future to set at rest this irritating question.

That statement is as true to-day as when it was uttered. It is the duty of Congress, as the governing body of the District of Columbia, to settle this question intelligently and fairly.

It is no exaggeration to say that the continuous repetition of acrimonious debate over a simple mathematical problem like this reflects no credit upon our intelligence as a lawmaking body.

But it ought to be settled when, or before, the budget for the District is made up, and not when the bill comes up for enactment into law. To postpone its determination, as we have been doing in the past few years, until the District bill has passed the House and goes to conference is only inviting confusion and misunderstanding.

It may seem an arrogant presumption, but it is the absolute truth to say that the bulk of the membership of the House (and perhaps of the Senate) have not and never will take the trouble to go into the intricacies of the fiscal relationship between the Federal Government and the District.

That is no reflection on their judgment or their good will. But the danger is, where knowledge is absent, there is the inevitable temptation to make up for the lack of information by a resort to passion and prejudice.

$9,000,000 NOT A GIFT

An example of this is the disposition of some Members to regard the Federal contribution as a gratuity, a gift, or, as even one of our very ablest Members characterized it—a lollypop.

Of course, it is neither. Not even the slightest part of the $9,000,000 contribution falls within either of these lightly bandied categories.

The fact is that the Federal Government has land and buildings in the District which are very moderately valued at $520,000,000. This property, of course, pays no taxes. But if the Federal Government were called upon to pay taxes at the rate of $1.70 (paid by private owners), it would have a bill presented to it this year for $8,840,000. That is one of the factors which has been and ought to be considered in fixing the Federal contribution. There are others which I will refer to later.

Another element introduced into the rough-and-tumble discussion of the question is the tendency to harp on the low tax rate for the District and the disposition to compare that rate with what Members pay in their home towns. One would suppose that high taxation is something to glory in! The fact is, that rate of taxation is wholly irrelevant, or, to put it mathematically, it is a factor which eliminates itself in the equation; for if the private owners of the District paid a higher rate the Federal Government would have to pay a similar increase on its holdings.

For instance, if the tax rate were $2 per hundred the obligation of the Federal Government would be $10,400,000 per annum.

But the truth of the matter is that the people of the District are not responsible for the tax rate. It is fixed at $1.70 by Congress itself.

NOT THE TAX WE PAY, BUT WHAT WE GET THAT COUNTS

Aside from that, however, it is not the tax we pay but what we get that counts. The people of the District get no more than they pay for.

WASHINGTON THE MOST POORLY GOVERNED IN THE WORLD

The District of Columbia has been at the mercy of picayune cheese paring by Congress for 20 years. Improvements are begrudgingly granted. Without having anything to say in the matter of their own government, or even in that of their own tax rate, they have duties and obligations, as well as inhibitions, thrust upon them, without the liberty to influence, alter, or affect the conditions that confront them.

They can not change the rate of taxation imposed upon them—they can not demand a public improvement, a public school, a hospital, a police station, a fire house, a library, a sewer, or a water main. All of these are arbitrarily controlled by a body elected by constituencies thousands of miles away, and to come to the Capital often as utter strangers.

The result is shown in poorly paved streets, miserable alley slums, insufficient schools, and lack of water, light, sewers, and even the usual conveniences of a live, up-to-date American town.

For instance, in a certain part of the District there were a year ago 3,800 cesspools or latrines—the only sanitary accommodation for 3,800 families and a continuing peril not only to the 10,000 men, women, and children affected but a flagrant menace to the health of the entire District.

Within a stone throw of the Capitol there are streets so dimly lighted by obsolete gas illumination that travel by night is not only uncomfortable but actually perilous.

Of course, Members of Congress showing their friends around the Capital, do not take them to these primitive sections. They take them through the northwest areas, where expenditures for paving, lighting, and sewers have gone on gayly and generously. Yet the poor householder in the slums and in the environs of Washington, without paving, light, water, or sewer facilities, pays as much per hundred dollars of valuation on his humble home as does the owner of the stately mansion on the Avenue of the Presidents!

Here lies the whole trouble: The receipts from taxes are inequitably and unfairly distributed. Those in the favored sections are getting the benefits of improvements on a $2.70 tax-rate basis, while the neglected sections are getting back about 50 cents in improvements for every $1.70 of taxes that are mulcted out of them. This is a grievance that ought to be remedied, and if it were remedied by a fair distribution of the outlay for public improvements the tax question would take care of itself and the rates would naturally approach that of comparable cities where no discrimination is made between the hovel and the palace and where public sentiment is ever alert to demand sanitary and other improvements which are up to date in efficiency and utility commensurate with the needs of a civilized modern city.

$9,000,000 INCUBUS

There is no doubt in my mind that this obstinate adherence to the $9,000,000 lump sum year after year, whether the total expenditures are $31,000,000—as in 1925—or $45,000,000—as in the next fiscal year—is a serious incubus upon the development of the Capital.

Calculating and making their estimates on that basis, the Budget is hampered each year in laying out projects for the betterment of the Capital. If it was once realized that Congress would act generously and encourage a substantial outlay for streets, sewers, water, lighting, and paving throughout the District, I am quite sure these necessary things would be done, and the taxpayers would be willing to ungrudgingly pay their share.

HOW L'ENFANT'S PLAN WENT AWRY

If the imagination of L'Enfant had been fortified by the gift of prophecy as well as artistic sense, he doubtless might have foreseen the immense growth of the Nation's Capital. With this prospect in view he might have laid out a definite tract of land in which nothing but Government structures would be built. Within that area no fee-simple titles would be granted, and such land as might be needed for private or quasi public uses would have been leased.

In such an arrangement the land and the growing community exterior to the Federal compound would have constituted a municipality with no fiscal or other relation to the Capital than mere geographical propinquity.

But that was not done. Instead of that, public buildings, legations, institutions, and improvements having a necessary relationship to the Federal Government have wedged themselves into every part of the District of Columbia.

This situation necessarily calls for a larger use of municipal facilities than would otherwise have been the case. Not only the officials of the Federal Government but hundreds of thousands of visitors exercise a wear and tear upon municipal streets, parks, schools, hospitals, libraries, and other facilities.

This constitutes that vague, indefinite, but nevertheless important factor in the calculation of mutual financial obligations which has always presented such difficulty. It is in the solution of that difficulty and the admeasurement of that factor that Congress should give its earnest and early attention.

THE SOLUTION

The solution should not be attempted by either the Senate or the House. It is a task for clear thinking, strictly impartial minds, unbiased by predilection or home-town notions. It is a task for big men with judicial minds and a real live interest in the future of our Capital. Personally, I favor the commission idea of my good friend and colleague, Mr. MOORE of Virginia. He is not to be in the next Congress, due to his own volition, and it would be a gracious thing if this Congress, before it adjourns, should accept his solution of this embarrassing problem.

Mr. SIMMONS. Mr. Speaker, I yield now to the gentleman from New York [Mr. SNELL].

Mr. SNELL. Mr. Speaker, I rise to say a few words with reference to the statement made in the local newspapers that this is a personal fight on the part of the chairman of this subcommittee in refusing to increase the appropriation for the District. As far as I understand the sentiment of this House, he thoroughly and truly represents the sentiment of at least 90 per cent, and perhaps 95 per cent, of all our Members. [Applause.] And I am equally sure that he represents the sentiment of the average American citizen.

My attitude toward the District of Columbia has always been that we should spend all the money here that is necessary to make this one of the finest cities in the entire world, and that we should assess the District a reasonable amount, and that the Federal Government should pay the balance. Whether $9,000,000 is too much or too little I do not know. But there is one thing that I am absolutely certain of, and that is that the people of the District of Columbia are paying the lowest tax rate of any city of similar size, and that the city of Washington has more advantages than any other city in America. The papers say they have no business here. In my judgment, the best business in the United States is right here in Washington, where you have the most permanent and constant pay roll of any city in the United States. When we spend $100,000,000 in erecting buildings here, whose property are we improving if not that of the people of the District of Columbia? It does not belong to the Federal Government but to the people of the District of Columbia. In my judgment, we are more than fair, and we are not going to do anything more at the present time. [Applause.]

Mr. SIMMONS. Mr. Speaker, I yield five minutes to the gentleman from Georgia [Mr. CRISP].

The SPEAKER. The gentleman from Georgia is recognized for five minutes.

Mr. CRISP. Mr. Speaker and my colleagues, I am going heartily to support the motion of the gentleman from Nebraska [Mr. SIMMONS], and I feel both admiration and sympathy for him. Admiration for his ability and industry in the sincere and fearless performance of his public duty, and sympathy because in the Sixty-third Congress I had the temerity to offer a bill to repeal what is known as the organic act of 1878, requiring contributions of 50–50, and the criticisms which the gentleman from Nebraska has received from the press and people here sink into oblivion as compared with what I received at that time when the committee reported and the House passed my bill.

Now, gentlemen, I am not going to take up much of your time, but I want to call your attention to this, that at the time the act of 1878 was passed, when the joint contribution of the Federal Government and the District of Columbia was fixed at 50–50, it was confined to the city proper. When the act of 1878 was passed Washington consisted of 6,110 acres, 3,606 of it already laid out in streets and mostly paved, and the Government only owned 1,523 acres of the 6,110, the Government land being practically all in parks, and the citizens of Washington derived the greatest benefit from Government parks. Now, the people of the United States are being made to bear $9,000,000 of the expense of developing and caring for 44,316 acres of land, of which the Government owns a small part, practically all of this being in parks. I consider that a generous contribution from the United States Treasury. At that time the total amount of appropriations for the District of Columbia was about $12,000,000 or $13,000,000, and the expenditure now has grown until it is about $45,000,000. The Congress finally decided that the contribution should be 60–40, after many of us had fought the matter for several years, not with any feeling of prejudice against the District, but in the interest of what we thought was just and equitable to our own constituents and the citizens of the United States. Then further investigation developed that the majority of the House thought that was excessive, and the $9,000,000 lump sum was agreed to.

I have not given consideration to the matter for the last 8 or 10 years, but I have been content to follow the lead of the gentleman from Michigan [Mr. CRAMTON], who is able and industrious, and the gentleman from Nebraska [Mr. SIMMONS], and others, and my information is that if the Federal Government would pay taxes on its property in the District similar to other taxes paid by private property owners, its contribution would be less than $9,000,000. In our respective States, as some of you gentlemen out West know, the Government owns thousands and thousands of acres of land, and the Government does not contribute one cent on account of the ownership of public buildings and public lands in the 48 States.

I rejoice that the people of the District of Columbia have a low tax rate. Their expenditures, in my judgment, for developments and improvements are very high; but the tax rate is lower than the tax rate of any other comparable city. I live in a small city in south Georgia, with 9,000 population, where the conditions and opportunities are not comparable; but we pay a tax rate of 3½ per cent on every dollar of property, real and intangible, while the tax rate here is 1.70 per cent on real estate.

Mr. MOORE of Virginia. Mr. Speaker, will the gentleman yield?

Mr. CRISP. Yes.

Mr. MOORE of Virginia. I understood my friend to say he has not examined the matter in any detail. I have not, and I do not think 85 per cent of the Members have. That being the condition, does my friend think there is anything strange in the proposition to create some official agency to investigate and recommend what action Congress should take? The gentleman was a distinguished member of the commission that once had our debt settlements under consideration. The only way to arrive at a just conclusion was to approach the matter in that way. It was a fact-finding commission such as I now suggest.

Mr. CRISP. The gentleman knows he has my warm affection, and I appreciate his position, but I do not think this is a time to pass upon the question of having a commission. It seems to me that a tribunal going to pass upon the contributions out of the Public Treasury should be composed of Members of this House who are charged with that responsibility. [Applause.]

Mr. SIMMONS. Mr. Speaker, I yield five minutes to the gentleman from Michigan [Mr. CRAMTON].

The SPEAKER. The gentleman from Michigan is recognized for five minutes.

Mr. CRAMTON. Mr. Speaker, ladies and gentlemen of the House, if the House wants information on this subject, there are different ways of constituting commissions. My friend from Virginia, Mr. MOORE, wants one kind of a commission. I am satisfied with another kind. My friend from Virginia proposes a commission with several Members from the House, of whom the minority might be in accord with the views of my friend from Virginia; several from the Senate who would all be in accord with his views; and five from the District, who would all be in accord with his views. You know what the commission is going to report before they are named. It is useless to spend money for such a report.

On the other hand, the House has the best method of studying this question, as it does other problems, through its own committees. I regard the gentleman from Nebraska [Mr. SIMMONS] and the gentleman from Mississippi [Mr. COLLINS] and their associates on the subcommittee in charge of the District appropriation bill as a good enough commission on this proposition to advise the House. [Applause.]

Mr. GRIFFIN. Will the gentleman yield?

Mr. CRAMTON. I regret I can not yield now. I want to make a connected statement.

I want it understood that the House is not proceeding in a spirit of unfriendliness toward the District. The District ought to understand that when they recall that this Congress very recently has committed the Federal Treasury to the expenditure of something like $300,000,000 for the improvement of the National Capital. True, they are Federal buildings, but it is an

improvement of the National Capital. The past week or two we have passed several bills for five or six million dollars each, for the Supreme Court Building, the Library of Congress, the National Museum, and the naval hospital unit. This Congress is not unfriendly to the National Capital.

What I particularly rose to discuss was the first adoption of the lump-sum proposition. They had a 50-50 plan. There was a great deal of grief about that. Then, 60-40, and still more grief and criticism of the Congress. Finally, in 1923, I introduced a bill proposing that instead of a proportionate sum it be a lum sum of $8,000,000. That was after the war, at a time when there had been great expansion in private investments and construction in the District following great increase in population. Many new areas needed sewers and paving and schools and all of that. There was great need for new development; but the Federal Treasury was overwhelmed with the financial burdens of the war. It was not reasonable to increase the Federal contribution in the District of Columbia. There was a local tax rate of $1.20. It did seem that they might pay more, and the purpose of the lump-sum plan was to make it possible to increase the appropriations for the District of Columbia, without increasing the Federal contribution, but increasing somewhat the taxes paid locally.

At that time I said to the House (CONGRESSIONAL RECORD, vol. 65, p. 10343) on June 3, 1924:

A year ago I reached certain conclusions:

1. That increased appropriations are urgently required to meet the needs of the District of Columbia.

2. The contribution of $8,000,000, net, which we have of late been making, is fully commensurate with our property here and our needs.

3. That the present condition of the Federal Treasury and the heavy burdens on the taxpayers of the Nation do not permit any substantial increase in Federal contribution to District expenses.

4. That our property and interests here are nearly remaining stationary, while the private property and private interests are rapidly increasing, and the increased need for expenditures here is because of expansion of private interests.

5. That the tax rate in the District, at present $1.20 per hundred on real property, is so low as to make possible some increase in contribution by District taxpayers without hardship.

6. That if the relation between the increased appropriations for District purposes and the local tax rate is intimate, immediate, and direct, the local demand for such increases should receive very sympathetic consideration by Congress.

7. That a lump-sum contribution by the Federal Government, instead of any percentage ratio, will make it possible to meet the local demand for local improvements, by increase of local taxes so far as local sentiment demands, without adding to the Federal burdens; and that the constant berating of Congress on the part of citizen associations and Washington newspapers for niggardliness in appropriations for the District will cease under the lump-sum system.

Appropriations for the District have increased, improvements urgently needed have been made possible, no increased burdens have been put on the Federal Treasury, the local tax rate has increased, but still is not an unfair or alarming rate and "the constant berating of Congress on the part of citizen associations and Washington newspapers for niggardliness in appropriations for the District" has ceased. There is some criticism that the Federal contribution is not larger but the total is as large as local sentiment wants to pay for. Increases come from their own pockets and that tends to conservatism.

While the House by 306 to 16 voted for $8,000,000, we compromised a little later at $9,000,000, which has been the contribution by the Federal Government to District expenses for the fiscal years 1925, 1926, 1927, 1928, 1929, and 1930, and the House conferees propose the same amount for 1931.

Mr. GRIFFIN. At that point will the gentleman yield?

Mr. CRAMTON. I regret I can not. That plan has worked so well that they have had the improvements which they needed without any unfair tax rate and without increasing the Federal burden. It was not at all likely that Congress would otherwise have given the needed appropriations. Because of the adoption of the lump-sum plan, the District has had adequate appropriations and the public improvements made necessary by its great population increase.

Mr. GRIFFIN. Will the gentleman yield at that point?

Mr. CRAMTON. In just a moment. But because that has occurred which we intended to make possible to occur, namely, an increase in appropriations for the District it is argued we should now increase the Federal contribution.

I will yield now to the gentleman, although I prefer not to be diverted.

Mr. GRIFFIN. How did the gentleman, who is the author of the magic $9,000,000 figure arrive at that figure? I would like the House to be informed as to that.

Mr. CRAMTON. There is hardly time to explain that. If my friend will look at pages 10343, and following, in the proceedings of June 3, 1924, he will find a great deal of information. I can not yield further at this time.

That bill, introduced first in the Sixty-seventh Congress, went to the Committee on the District of Columbia. It has been reintroduced since in the Sixty-eighth, Sixty-ninth, Seventieth, and Seventy-first Congresses. We have never been able to get a report on that bill, either favorable or unfavorable, from the Committee on the District of Columbia. When Mr. Davis was handling the District bill for the fiscal year of 1925 and the bill was reported to the House, I offered the lump-sum plan as an amendment. It was sustained under the Holman rule, when a point of order was made. It was entirely in accordance with the rules of the House; entirely lawful, and it was adopted by the House.

The SPEAKER. The time of the gentleman has expired.

Mr. SIMMONS. I yield three additional minutes to the gentleman.

Mr. CRAMTON. Then, it went to the Senate. The Senate struck out $8,000,000 and put in $14,000,000. They were not so finicky about the 60-40 if they could get enough money. The bill went to conference. Then Chairman Davis on the 3d of June, 1925, came back to the House and the matter was argued, and Mr. Davis then asked to do what the gentleman from Nebraska [Mr. SIMMONS] is asking to do to-day, to further insist on $8,000,000, not $9,000,000, but $8,000,000 as against the $14,000,000 proposed by the Senate. There was a roll call of the House, and about 95 per cent of the House voted aye in support of Chairman Davis's proposition. The vote was 307 ayes and 16 noes. So the House, not a few men, not a few members of the Appropriations Committee, for I was not even on the District subcommittee at that time when I offered the amendment, and it was not first put on in committee but in the House, but the House itself inaugurated the lump-sum plan, and it has been in effect each year since.

I want to say as Judge CRISP has said, the Members of the House find a multitude of duties here, and none of us can study everything or be informed on everything. At one time I gave my time largely, as did the gentleman from Georgia, Judge CRISP, to District problems, but since the gentleman from Nebraska has had charge of that bill he has gone into it with a thoroughness and care that has never been excelled by any chairman of any committee in this House. [Applause.] And with an honesty of purpose and fairness of judgment that convinces me I am always safe to follow his leadership on this problem, even without any new commissions. [Applause.]

Mr. MOORE of Virginia. Will the gentleman yield?

Mr. CRAMTON. I yield.

Mr. MOORE of Virginia. I want to take this opportunity, because I may not have another, to express my very deep appreciation of all the gentleman has done for my own State, and I hope as time goes on his heart will soften a little toward the District of Columbia.

Mr. CRAMTON. I thank the gentleman. If any man could win me over, it would be the gentleman from Virginia [Mr. MOORE].

Mr. SIMMONS. Mr. Speaker, I yield three minutes to the gentleman from Wisconsin [Mr. FREAR].

Mr. FREAR. Mr. Speaker, I am glad to have the privilege of saying just a word in justification and defense of the gentleman from Nebraska, who has charge of this measure at this time. I feel that the abuse heaped upon his shoulders, and incidentally upon Congress, with rare exceptions, by the newspapers of the city of Washington, has been unjustified and should be condemned. We need not be afraid to express ourselves frankly notwithstanding the fact that this abuse comes from newspapers that are supposed to be immune from criticism. [Applause.]

The gentleman from Nebraska has made a careful examination of this tax question. As a boy I lived in the city of Washington, and well remember that at that time and ever thereafter a controversy has existed as to the Federal Government's contribution and why it did not pay more toward the support of the District than it was then paying. I know that the State in which I live and where I served for some years as a State officers and auditor was glad to have the capital city with its fine public buildings and parks, without any direct or indirect tax paid by the State for contribution to the city's support. The people of that capital city were only too glad to do this; every dollar of the millions spent by the State in Madison helped to enhance the value of other city property. But here in the city of Washington, the moment new buildings are erected they are declared to displace business blocks and immediately the newspapers of this city, with unfailing unanimity and vigor, abuse those who are in positions of responsibility,

as well as the Congress for not making additional allowances to the District. You will not find that spirit, I assert, in any other city of the country.

It is very interesting, Mr. Speaker, to know that in another body one gentleman can raise the amount which the Federal Government is to contribute to the District just 33⅓ per cent and receive the indorsement of practically every newspaper in the city because of his easy generosity with public funds. That increase in amount has been made without any substantial reason being given for it. Why did he not increase it to $20,000,000 instead of $12,000,000? And why does this comparatively newcomer in the field of District legislation declare the House is stubborn for not yileding to his whims?

Everyone desires to do what is right for the District but in all fairness why not collect taxes here as we do in the average State and city? Why not have District income tax and why not an inheritance tax, the same as we have in 18 or 20 of the States, and practically in all States with the latter tax? Why should we not collect inheritance taxes from the people of the District of Columbia, many of whom come here as a haven of tax refuge? Why should we not have an income tax on intangible property as well as other taxes? It has been alleged here that tax dodgers seek Washington to escape such taxes. If so, Congress alone is to blame for not providing for such District income and inheritance taxes.

The people who live back in my State and the people who live in the average cities of the country would be only too glad to accept the tax rate that is placed upon property in the District of Columbia. I say this with some knowledge of comparative assessments and tax rates. Yet we are excoriated because we do not give the District $12,000,000. What tax, I wonder, do the good people of Connecticut pay to the city of Hartford for the privilege of centering the State's activities there?

We should support the gentleman from Nebraska in the position he has taken until we have positive notice that some injustice is being done. I may venture to offer for your consideration, I trust with the approval of the local press, the same kind of tax laws found in the average State. It may be a suggestion for this committee or some other committee of the House to recommend both a comprehensive income tax and an inheritance tax for the District. [Applause.]

The SPEAKER. The time of the gentleman from Wisconsin has expired.

Mr. SIMMONS. Mr. Speaker, I yield five minutes to the gentleman from Indiana [Mr. WOOD]. [Applause.]

Mr. WOOD. Mr. Speaker and Members of the House, I think the gentleman from Nebraska, who has had charge and has charge of the subcommittee making appropriations for the District, is entitled to the commendation of every fair-minded man and woman in the United States for the courage he has shown in his desire to do exact justice not only to the people of the District of Columbia but to the people of the United States. [Applause.]

From the very beginning and down to this goodly hour the chairman of this subcommittee and his associate conferees on the part of the House have said to the conferees upon the other side, "If you will give us some reason why this amount should be raised we will be very glad indeed to consider it with favor." They have not attempted in a single instance to do this thing.

In my opinion, ladies and gentlemen of the House, we are contributing more to the District of Columbia than is fair, and one of the best evidences of this being true is to be found in the fact that the tax rate in the District of Columbia is lower than it is in any municipality or any State in the Union.

Suppose we contributed this extra $3,000,000 without rhyme or reason. There would be every incentive in the world—and they would be justified in doing it—for reducing the present tax rate to a still lower figure.

As has been suggested, if they had the same sort of tax system here that they have in all the other States, so far as I know $7,000,000 would more than represent the amount which the Government should be called upon to contribute to the District.

As has been suggested by the gentleman from Texas [Mr. GARNER], this is a haven for the tax dodgers of the United States. I do not know how many millions of dollars are piled up in the coffers of the banks of the District of Columbia, but whatever the amount a very insignificant per cent of tax is paid thereon for the support of the Government and the District of Columbia. Is there any State in the Union that would permit such a thing as that?

I honestly believe that if the intangible property of this District, which is escaping practically all burden of taxation, contributed its fair share, $5,000,000 would be more than the Government of the United States should contribute.

As has been suggested, and I wish to emphasize it, the District of Columbia is treated more fairly than any other municipality or State in the Union. I do not know how many millions of dollars' worth of Federal property we have in the city of New York, and I do not know how many millions of dollars' worth of Federal property we have in the city of Chicago, but that property does not contribute one cent toward the expense of government in those respective cities. If we pursued the same course here, the District of Columbia should contribute all of the expense of the District.

It was never intended that there should be anything in the District of Columbia but the Capitol, the necessary buildings and the necessary force with which to conduct the business of this country. However, a departure was made, and by reason of that departure there are many private owners of property here. However, they are here as a matter of sufferance.

Yet these private owners of property have assumed the rôle of dictators and are attempting to dictate to this body what it must do, and they are all the time complaining we are not doing enough. It is most remarkable that the chamber of commerce of this city and all the newspapers are invariably in favor of anything that is going to produce more money to be spent in the District of Columbia. You have never heard one of them advocate anything that would curtail the expenditure of money in the District of Columbia. [Applause.]

The SPEAKER. The time of the gentleman from Indiana has expired.

Mr. SIMMONS. Mr. Speaker, I move the previous question on the motion.

The previous question was ordered.

The SPEAKER. The question is on the motion of the gentleman from Nebraska that the House insist on its disagreement to the Senate amendment.

Mr. SIMMONS. Mr. Speaker, on that I ask for the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 283, nays 17, not voting 128, as follows:

[Roll No. 71]

YEAS—283

Abernethy	Crisp	Hastings	McLaughlin
Ackerman	Cross	Haugen	McMillan
Adkins	Crosser	Hawley	McSwain
Almon	Crowther	Hess	Magrady
Andresen	Culkin	Hill, Ala.	Manlove
Andrew	Cullen	Hill, Wash.	Mansfield
Arentz	Darrow	Hoch	Mapes
Arnold	Davis	Hogg	Martin
Aswell	Denison	Hooper	Mead
Ayres	DeRouen	Hope	Menges
Bachmann	Doughton	Hopkins	Merritt
Bacon	Douglas, Ariz.	Howard	Michener
Baird	Douglass, Mass.	Huddleston	Miller
Barbour	Dowell	Hudson	Milligan
Beedy	Doxey	Hudspeth	Montet
Beers	Drane	Hull, Morton D.	Moore, Ky.
Bell	Driver	Hull, Wis.	Moore, Ohio
Blackburn	Dyer	Irwin	Morehead
Bland	Eaton, Colo.	Jeffers	Morgan
Blanton	Edwards	Jenkins	Mouser
Box	Ellis	Johnson, Nebr.	Murphy
Boylan	Englebright	Johnson, Okla.	Nelson, Me.
Brand, Ga.	Eslick	Johnson, S. Dak.	Nelson, Mo.
Brand, Ohio	Estep	Johnson, Tex.	Niedringhaus
Briggs	Evans, Calif.	Johnson, Wash.	O'Connell
Brigham	Evans, Mont.	Jonas, N. C.	O'Connor, La.
Browne	Fenn	Jones, Tex.	O'Connor, N. Y.
Browning	Fish	Kading	O'Connor, Okla.
Brumm	Fisher	Kahn	Oldfield
Buckbee	Fitzgerald	Kearns	Oliver, Ala.
Burdick	Fitzpatrick	Kendall, Ky.	Palmer
Busby	Foss	Kendall, Pa.	Parker
Butler	Frear	Kerr	Parks
Campbell, Iowa	Freeman	Kiefner	Patman
Canfield	French	Kincheloe	Pittenger
Cannon	Fuller	Kinzer	Prall
Carter, Calif.	Fulmer	Knutson	Quin
Cartwright	Garber, Okla.	Kopp	Rainey, Henry T.
Chalmers	Garber, Va.	Kvale	Ramey, Frank M.
Chindblom	Garner	LaGuardia	Ramseyer
Christgau	Garrett	Lambertson	Ramspeck
Christopherson	Gasque	Langley	Rankin
Clague	Gibson	Lanham	Ransley
Clancy	Gifford	Lankford, Ga.	Reece
Clark, Md.	Glover	Lankford, Va.	Reed, N. Y.
Clark, N. C.	Goldsborough	Larsen	Robinson
Cochran, Mo.	Goodwin	Lea	Sabath
Cochran, Pa.	Green	Leavitt	Sanders, Tex.
Cole	Greenwood	Leech	Sandlin
Collins	Gregory	Letts	Schafer, Wis.
Colton	Guyer	Lindsay	Schneider
Connolly	Hadley	Lozier	Sears
Cooper, Ohio	Hale	Luce	Seiberling
Cooper, Tenn.	Hall, Ill.	Ludlow	Shaffer, Va.
Cooper, Wis.	Hall, N. Dak.	McClintic, Okla.	Short, Mo.
Corning	Halsey	McClintock, Ohio	Shott, W. Va.
Coyle	Hancock	McCormick, Ill.	Shreve
Crail	Hardy	McFadden	Simmons
Cramton	Hare	McKeown	Simms

Sloan	Sumners, Tex.	Timberlake	Wigglesworth
Smith, W. Va.	Swanson	Tinkham	Williamson
Snell	Swick	Treadway	Wilson
Snow	Swing	Vinson, Ga.	Wolfenden
Somers, N. Y.	Tarver	Warren	Wolverton, W. Va.
Sparks	Taylor, Colo.	Wason	Wood
Speaks	Taylor, Tenn.	Watres	Woodruff
Spearing	Temple	Watson	Woodrum
Stafford	Thatcher	Welch, Calif.	Wright
Stone	Thompson	Welsh, Pa.	Wyant
Strong, Pa.	Thurston	Whitley	Yon
Summers, Wash.	Tilson	Whittington	

NAYS—17

Black	Hall, Miss.	McCormack, Mass.	Tucker
Bowman	Hammer	Montague	Zihlman
Campbell, Pa.	Houston, Del.	Moore, Va.	
Gambrill	Lampert	Palmisano	
Griffin	Linthicum	Patterson	

NOT VOTING—128

Aldrich	Dickstein	Kiess	Rutherford
Allen	Dominick	Korell	Sanders, N. Y.
Allgood	Doutrich	Kunz	Seger
Auf der Heide	Doyle	Kurtz	Selvig
Bacharach	Drewry	Lehlbach	Sinclair
Bankhead	Dunbar	McDuffie	Sirovich
Beck	Eaton, N. J.	McLeod	Smith, Idaho
Bloom	Elliott	McReynolds	Sproul, Ill.
Bohn	Esterly	Maas	Sproul, Kans.
Bolton	Finley	Michaelson	Stalker
Britten	Fort	Mooney	Steagall
Brunner	Free	Nelson, Wis.	Stedman
Buchanan	Gavagan	Newhall	Stevenson
Burtness	Golder	Nolan	Stobbs
Byrns	Graham	Norton	Strong, Kans.
Cable	Granfield	Oliver, N. Y.	Sullivan, N. Y.
Carley	Hall, Ind.	Owen	Sullivan, Pa.
Carter, Wyo.	Hartley	Peavey	Taber
Celler	Hickey	Perkins	Turpin
Chase	Hoffman	Porter	Underhill
Clarke, N. Y.	Holaday	Pou	Underwood
Collier	Hull, Tenn.	Pratt, Harcourt J.	Vestal
Connery	Hull, William E.	Pratt, Ruth	Vincent, Mich.
Cooke	Igoe	Pritchard	Wainwright
Cox	James	Purnell	Walker
Craddock	Johnson, Ill.	Quayle	White
Curry	Johnson, Ind.	Ragon	Whitehead
Dallinger	Johnston, Mo.	Rayburn	Williams
Davenport	Kelly	Reid, Ill.	Wingo
Dempsey	Kemp	Rogers	Wolverton, N. J.
De Priest	Kennedy	Romjue	Wurzbach
Dickinson	Ketcham	Rowbottom	Yates

So the motion was agreed to.

The Clerk announced the following pairs:

Until further notice:

Mr. Bacharach with Mr. Bankhead.
Mr. Free with Mr. Hull of Tennessee.
Mr. Vestal with Mr. Brunner.
Mr. Michaelson with Mrs. Owen.
Mr. Harcourt J. Pratt with Mr. Buchanan.
Mr. Hickey with Mr. Quayle.
Mr. Bolton with Mr. Byrns.
Mr. Dallinger with Mr. Rayburn.
Mr. Johnston of Missouri with Mr. Collier.
Mr. Seger with Mr. Gavagan.
Mr. Reid of Illinois with Mr. Kunz.
Mr. Purnell with Mr. Sullivan of New York.
Mr. Kiess with Mr. Rutherford.
Mr. Doutrich with Mr. Allgood.
Mr. Lehlbach with Mr. Oliver of New York.
Mr. Sproul of Illinois with Mr. Cox.
Mr. Ketcham with Mr. Mooney.
Mr. Nolan with Mrs. Norton.
Mr. Campbell of Pennsylvania with Mr. Auf der Heide.
Mr. Yates with Mr. McReynolds.
Mr. Aldridge with Mr. Carley.
Mr. Elliott with Mr. Pou.
Mr. Allen with Mr. Ragon.
Mr. Dunbar with Mr. Igoe.
Mr. Clarke of New York with Mr. Wingo.
Mr. Davenport with Mr. McDuffie.
Mr. Chase with Mr. Whitehead.
Mr. Beck with Mr. Kemp.
Mr. Britten with Mr. Underwood.
Mr. Wolverton of New Jersey with Mr. Steagall.
Mr. Nelson of Wisconsin with Mr. Dominick.
Mr. Bohn with Mr. Bloom.
Mr. Perkins with Mr. Connery.
Mrs. Rogers with Mr. Romjue.
Mr. Graham with Mr. Celler.
Mr. Johnson of Indiana with Mr. Stevenson.
Mr. Sinclair with Mr. Drewry.
Mr. Golder with Mr. Sirovich.
Mr. Esterley with Mr. Williams.
Mr. Holaday with Mr. Kennedy.
Mr. Smith of Idaho with Mr. Dickstein.
Mr. Hartley with Mr. Granfield.
Mr. Kurtz with Mr. Doyle.
Mr. Hall of Indiana with Mr. Stedman.

Mr. CONNERY. Mr. Speaker, can I qualify to vote?

The SPEAKER. Was the gentleman present and listening when his name was called?

Mr. CONNERY. I was not.

The SPEAKER. The gentleman does not qualify.

Mr. KORELL. Mr. Speaker, I would like to vote.

The SPEAKER. Was the gentleman present and listening when his name was called?

Mr. KORELL. No; I was not.

The SPEAKER. The gentleman does not qualify.

Mr. SANDERS of New York. Mr. Speaker, I wish to vote.

The SPEAKER. Was the gentleman present and listening when his name was called?

Mr. SANDERS of New York. I was not.

The SPEAKER. The gentleman does not qualify.

The result of the vote was announced as above recorded.

Mr. SIMMONS. Mr. Speaker, as to the remaining Senate amendments, I ask unanimous consent that they may be considered en bloc and that the House insist on its disagreement to all of them.

The SPEAKER. As to the remaining amendments, the gentleman from Nebraska asks unanimous consent that they may be considered en bloc and that the House insist on its disagreement. Is there objection?

There was no objection.

The motion was agreed to.

SECOND DEFICIENCY APPROPRIATION BILL

Mr. WOOD. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 12902) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1930, and prior fiscal years, to provide supplemental appropriations for the fiscal years ending June 30, 1930, and June 30, 1931, and for other purposes; and pending that, I would like to agree with the gentleman on the other side as to the time for general debate. I would suggest that we let the debate run along and fix the time later.

Mr. TAYLOR of Colorado. Mr. Speaker, I may say to the gentleman from Indiana that we have about four hours of requests on this side.

Mr. WOOD. I hope the gentleman will be able to trim that down somewhat. I suspect we might as well allow the debate to run along without any time being fixed, so far as to-day is concerned, but I hope that gentlemen on that side, as well as on this side, who are asking for time in general debate, will limit it as much as possible and extend their remarks, because we must get this bill through on Thursday.

Mr. TILSON. I would suggest that the gentleman ask for equal control of the time and let the debate run along for to-day.

Mr. TAYLOR of Colorado. That will be perfectly agreeable.

Mr. WOOD. Then I ask unanimous consent, Mr. Speaker, that the time be equally divided and controlled one-half by the gentleman from Colorado [Mr. TAYLOR] and one-half by myself.

The SPEAKER. The gentleman from Indiana moves that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 12902; and pending that, asks unanimous consent that the time for general debate be equally divided and controlled by himself and the gentleman from Colorado. Is there objection?

There was no objection.

The motion was agreed to.

Accordingly the House resolved itself into Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 12902, with Mr. CHINDBLOM in the chair.

The Clerk read the title of the bill.

Mr. WOOD. Mr. Chairman, I ask unanimous consent that the first reading of the bill be dispensed with.

The CHAIRMAN. Is there objection to the request of the gentleman from Indiana?

There was no objection.

Mr. WOOD. Mr. Chairman, I yield 45 minutes to the gentleman from Massachusetts [Mr. TINKHAM]. [Applause.]

Mr. TINKHAM. Mr. Chairman, during the last several months a commitee of the United States Senate, known as the Senate lobby investigating committee, has been hearing evidence in relation to an organized and continued violation of the fundamental American principle of the separation of church and state by four ecclesiastical organizations, three of which maintain establishments opposite the Capitol for the purpose of dictating executive and legislative action and judicial appointments.

These four organizations are the Board of Temperance, Prohibition, and Public Morals of the Methodist Episcopal Church; the Commission on Prohibition and Social Service of the Methodist Episcopal Church South; the Federal Council of the Churches of Christ in America; and the Anti-Saloon League of America.

I desire at this time to discuss the evidence presented to the Senate lobby investigating committee in reference to charges made against Bishop James Cannon, jr., who is an interlocking official and director of these four organizations. In addition to being chairman of the Commission on Prohibition and Social Service of the Methodist Episcopal Church South, he is a member of the advisory committee of the Board of Tem-

perance, Prohibition, and Public Morals of the Methodist Episcopal Church, a member of the executive committee and of the administrative committee of the Federal Council of the Churches of Christ in America, and a member of the national executive committee, of the administrative committee, and of the national board of directors of the Anti-Saloon League of America, as well as chairman of the legislative committee, of the headquarters committee, and of the executive committee of the Anti-Saloon League of Virginia.

Charges were made before the Senate lobby investigating committee against Bishop James Cannon, jr., of (1) flagrant sectarian and coercive lobbying in relation to Federal legislation; (2) shameless violation of the Federal corrupt practices act, a criminal statute, by (a) failure to report the receipt and expenditure of $65,300 contributed by E. C. Jameson, a capitalist of New York, to a political committee of which Bishop Cannon was chairman, known as the anti-Smith Democrats, operating in Southern States in the national elections of 1928; and (b) failure to account even to this date for $48,300 of this amount of $65,300, and even after a Senate committee investigating 1928 presidential campaign expenditures early in 1929 led him to report belatedly the receipt of $17,000 of this amount which he had failed to report under the Federal corrupt practices act. Evidence to substantiate all these charges were placed before the committee.

It is my purpose now to discuss Bishop Cannon's violation of the Federal corrupt practices act and his refusal to account for the expenditure of the $48,300.

The Federal corrupt practices act requires that a political committee operating—

> For the purpose of influencing or attempting to influence the election of candidates for presidential and vice presidential electors (1) in two or more States, or (2) whether or not in more than one State if such committee, association, or organization (other than a duly organized State or local committee of a political party) is a branch or subsidiary of a national committee, association, or organization—
>
> Shall file with the Clerk of the House of Representatives—
>
> between the 1st and 10th days of March, June, and September, in each year; and also between the tenth and fifteenth days, and on the fifth day, next preceding the date on which a general election is to be held, at which candidates are to be elected in two or more States, and also on the 1st day of January, a statement containing, complete as of the day next preceding the date of filing—
>
> A report of its receipts and expenditures.

The following facts, substantiated by documentary evidence, were placed before the Senate lobby investigating committee in support of the charge of violation of this criminal statute, and were undisputed:

First. That on September 19, 1928, Bishop James Cannon, jr., solicited funds from E. C. Jameson, a capitalist of New York, to enable a political committee, known as the anti-Smith Democrats, of which Bishop Cannon was chairman, to carry on "active work throughout the Southern States to secure the defeat" of the Democratic nominee.

Second. That between that date and January 14, 1929, E. C. Jameson made contributions to Bishop Cannon personally in nine checks aggregating $65,000, only two of which checks were made payable to the order of Bishop Cannon personally, the others being made payable to cash, and actually paid without indorsement, which method of payment, according to the testimony of E. C. Jameson before the committee, was requested by Bishop Cannon.

Third. That although up to January 2, 1929, the committee of the anti-Smith Democrats, of which Bishop Cannon was chairman and for whose work "throughout the Southern States" in the 1928 national elections he had solicited and received money from E. C. Jameson, had filed with the Clerk of the House of Representatives, under the Federal corrupt practices act, four reports of its receipts and expenditures, including expenditures made in the State of Virginia, no mention was made in any one of these four reports of the receipt of any money from E. C. Jameson, whose first contribution to Bishop Cannon was made in September, 1928, and it was not until Mr. Jameson's contributions to Bishop Cannon were made public through another source that a report was filed with the Clerk of the House of Representatives of the receipt of any money whatever from him. Then a fifth report filed by Bishop Cannon's organization on February 15, only after Mr. Jameson's contributions had been made public through another source, reported the receipt of only $17,000, notwithstanding that $65,300 had been contributed by Mr. Jameson.

It was the Senate committee appointed in 1928 to investigate the presidential campaign expenditures of 1928 that disclosed for the first time that Mr. Jameson had contributed $65,300 to Bishop Cannon for the work of the anti-Smith Democrats. Finding that Mr. Jameson had made contributions of $172,000 to the 1928 Republican presidential campaign, the committee called upon Mr. Jameson to itemize his contributions. According to the evidence before the Senate lobby investigating committee on February 12, 1929, the day before Mr. Jameson made the requested report to the Senate committee investigating presidential campaign expenditures, Bishop Cannon, in answer to a communication from Mr. Jameson, telegraphed him as follows:

> After careful examination records think statement should be "Paid headquarters committee anti-Smith Democrats seventeen thousand three hundred, paid Virginia committee anti-Smith Democrats forty-eight thousand, making total sixty-five thousand three hundred." This will correspond exactly with our official reports. * * *

On February 13, 1929, the day following the date of this telegram, E. C. Jameson wrote to the Senate committee investigating presidential campaign expenditures, itemizing his contributions of $172,000, listing $65,300 as donated to Bishop Cannon, and in the letter transmitting the list he explained his contribution of $65,300 to Bishop Cannon exactly as directed by Bishop Cannon in his telegram of the day before, so that the report on this item made to this committee by Mr. Jameson was actually the report of Bishop Cannon.

When Bishop Cannon learned that the Senate lobby investigating committee was investigating these facts brought out in the testimony of E. C. Jameson before that committee he telegraphed the chairman of the committee on May 13, 1930, as follows:

> Virginia advices indicate you inquiring concerning treasurer Virginia anti-Smith Democrats. I personally received and disbursed practically all funds Virginia anti-Smith Democrats in 1928, but made no report of such receipts and disbursements, as none was required by law.

The $65,300 paid to Bishop Cannon by E. C. Jameson was contributed to the anti-Smith Democrats, of which Bishop Cannon was chairman, to carry on "active work throughout the Southern States to secure the defeat" of the Democratic nominee, as indicated by the correspondence that passed between Bishop Cannon and E. C. Jameson, and Virginia was one of those "Southern States." The Federal corrupt practices act requires the report of receipts and expenditures of an organization operating—

> (1) In two or more States, or (2) whether or not in more than one State if such committee, association, or organization (other than a duly organized State or local committee of a political party) is a branch or subsidiary of a national committee, association, or organization.

The anti-Smith Democrats were operating "in two or more States" and the work of the organization in Virginia was part of the work of the committee organized at Asheville "to carry on active work throughout the Southern States to secure the defeat" of the Democratic nominee for President and of which Bishop Cannon was chosen chairman. A report of the receipt and expenditure of the money contributed to Bishop Cannon by E. C. Jameson and expended in the State of Virginia was therefore required by the Federal corrupt practices act and the statement of Bishop Cannon that he "made no report of such receipts and expenditures, as none was required by law," was a falsehood and obviously made with the intent of not accounting for the $48,300 alleged in his telegram of February 12, 1929, to E. C. Jameson to have been spent in the State of Virginia.

In the five reports of receipts and expenditures filed with the Clerk of the House of Representatives by Bishop Cannon's organization there were listed many expenditures made in the State of Virginia, and in these reports there should have appeared also an accounting of the entire $65,300 contributed to this organization by E. C. Jameson whether the money was expended in Virginia or any other Southern State.

Previous to the appearance of E. C. Jameson before the Senate lobby investigating committee, which brought to light the correspondence between E. C. Jameson and Bishop Cannon and the details of the contributions of Mr. Jameson to Bishop Cannon, Bishop Cannon demanded several times that he be heard by the committee and he finally came before the committee as a voluntary witness; but once there he refused to answer any questions concerning the use that he had made of the $65,300 received from Mr. Jameson and his failure to report the receipt of $48,300 of this amount.

Subsequently to one of his appearances before the committee, Bishop Cannon made a statement to the press that the $48,300 had been spent in certain congressional districts of Virginia, but he gave no details beyond naming the congressional districts, his statement was not under oath and he was not subject to cross-examination, all of which makes his statement to the press altogether worthless.

Under oath and subject to cross-examination, as he was before the committee, Bishop Cannon feared the following questions:

First. Why he wished the money contributed by E. C. Jameson paid in cash?

Second. Why he wholly concealed until February 15, 1929, the receipt of the money he had received from E. C. Jameson to carry on "active work throughout the Southern States to secure the defeat" of the Democratic nominee?

Third. Why on February 15, 1929, he reported the receipt of only $17,000 when $65,300 had been received from Mr. Jameson?

Fourth. Why he took occasion belatedly to report the receipt of this $17,000 on February 15, 1929, when the Federal corrupt practices act under which act the report was made did not require a report at that time, but only on "the 1st and 10th days of March, June, and September," "and also between the 10th and 15th days and on the 5th day next preceding the date on which a general election is to be held, and also on the 1st day of January"?

Fifth. Why in his telegram of February 12, 1929, to E. C. Jameson instructing Mr. Jameson what to report to the Senate committee appointed to investigate presidential campaign expenditures concerning Mr. Jameson's contribution to him of $65,300, he stated, "This will correspond exactly with our official reports," when he knew at the time that he sent that telegram that it could not correspond with his official reports, because no official reports had been made of those contributions, either under the Federal law or under any State law; and if it was not in his mind to make it correspond with such report as he might make and did make several days later to the Clerk of the House of Representatives?

Sixth. Why he should have stated in his telegram of May 13, 1930, to the chairman of the Senate lobby investigating committee that he had made no report of the receipt and expenditure of the $48,300 said to have been spent in Virginia, because no report "was required by law," when a report of this money was clearly required under the Federal corrupt practices act?

Seventh. Why he did not include in the reports filed with the Clerk of the House of Representatives the expenditures alleged to have been made in the State of Virginia with $48,300 of the money received from Mr. Jameson since in these reports appear other expenditures made in the State of Virginia?

Eighth. Whether or not at the time he was receiving money from E. C. Jameson he owed any money to Kable & Co. or Harry L. Goldhurst, who operated a "bucket shop" and who subsequently was prosecuted and convicted by the United States Government for using the mails to defraud and with whom Bishop Cannon is now known to have had extensive transactions shortly before his receipt of contributions from E. C. Jameson?

Ninth. Whether or not he had any dealings with one Joseph Radlow, a partner of Harry L. Goldhurst, who subsequently, it is stated, organized with said Harry L. Goldhurst a "bucket shop" under the name of the Cosmopolitan Fiscal Corporation, and who also was later convicted of using the mails to defraud?

Tenth. Whether or not he had dealings with the Cosmopolitan Fiscal Corporation organized by the said Joseph Radlow and Harry L. Goldhurst?

Eleventh. Whether or not he incurred any financial obligations in connection with extensive stock options signed by the said Joseph Radlow and executed October 4, 1928, when he was receiving contributions from E. C. Jameson?

Twelfth. Whether or not any of the money received from E. C. Jameson was used by him on account of any personal indebtedness?

To divert attention from the suspicions generally aroused by his refusal when before the committee to answer questions and to explain what he did with the money given to him by Mr. Jameson for the use of the anti-Smith Democrats in the 1928 presidential campaign, Bishop Cannon appealed to sectarian prejudice, as is his wont, charging that Roman Catholic interests were conspiring against him.

The charges made against Bishop Cannon before the Senate lobby investigating committee were not made by any Roman Catholic interest. They were made by me, an Episcopalian, whose ancestors came to this country as Pilgrims in 1620, and who were firm in their conviction that church and state should be separate, a conviction which I have inherited.

It was generally observed that during the 1928 presidential campaign there was a good deal of intolerance on the part of Bishop Cannon and others high in certain churches in this country, and activity of a highly partisan nature. It was the first time since there was written into the Constitution of the United States the bill of rights of the great State of Virginia that the principle of church and state had been so flagrantly violated. Let me here pay tribute to that school of eminent Virginia statesmen who were largely responsible for the opportunity that was afforded men in this country to worship God as they saw fit and to have free hands in taking part in the Government of the United States without the active and coercive influence, voluntary or paid, on the part of representatives of any church.

In the 1928 presidential campaign Bishop Cannon assumed the rôle of political dictator, hardly a fitting rôle for a man of his high ecclesiastical office, but a rôle that he played equally as well as that of lobbyist, which he has been practicing for many years.

When questioned by a responsible and duly organized committee of the Senate as to what he did with $65,300 which he received in his rôle of political dictator for the use of the anti-Smith Democrats, at a time when men were speculating in the stock market and dealing with bucket shops, influencing legislation, and buying votes with money, the bishop becomes confused; he has no answer to make, and he falls into that practice of the defendant, so familiar to the criminal lawyer, of clutching as a last resort to his immunity in declining to answer the simple question, "What did you do with this money?"

Bishop Cannon came before the committee voluntarily. His refusal to answer questions when he was under oath and subject to cross-examination concerning the use that he had made of the $48,300 for which he has made no accounting in any way can give rise only to sinister implications in the mind of any honest man. If his transactions would stand the light of day, if there was no taint of scandal or illegality in connection with the use which he made of this money, to preserve such reputation as he may enjoy and to clear his name, he should have welcomed the opportunity to make an explanation, to disprove the charges made against him, and to confound his alleged enemies; and he owed it to the church which he officially represents and which recently reelected him to his exalted office to do so. If that great church, of which he is a bishop, had been in full possession of all the facts presented to the Senate lobby investigating committee and here reviewed, it is inconceivable that he would have been continued by it as one of its spiritual leaders.

Under all the circumstances, until Bishop Cannon has made, under oath and subject to cross-examination, under duress or otherwise, a statement of when, where, and for what purposes he expended the $48,300 intrusted to him by Mr. Jameson, for which he has made no accounting, he will stand convicted in the eyes of all honest men of having appropriated that money to his own uses. However, in view of the peculiar operations of his mind, it is doubtful whether even under oath and subject to cross-examination, he would make a clear and unequivocal statement or explanation of the expenditure of Mr. Jameson's money. [Applause.]

Mr. AYRES. Mr. Chairman, I yield to the gentleman from New York [Mr. MEAD] 15 minutes.

Mr. MEAD. Mr. Chairman and members of the committee, I desire to bring to the attention of my friends of the House a very meritorious resolution, which, in my judgment, is destined to die an ignoble death in our Committee on Interstate and Foreign Commerce; and if that does happen, it will not only prove injurious to the country but it will certainly be a reflection upon the loyalty and fidelity of the Representatives who come here from the great Northwestern States, and particularly from the State of Minnesota, because these men from the very beginning of the organization of this House down to this hour have contributed, by reason of their loyalty to the organization of this House, in the enactment of the program of legislation entirely contrary to the program of the progressive Senators in the other body. As a result of their loyalty the real progressive program considered in this Congress has been changed to conform with the wishes of the Republican leadership of the House.

Compare, if you will, legislation that can be called progressive and include therein Muscle Shoals, the Norris resolution, oftentimes referred to as the "lame duck resolution," the tariff bill, and that particular portion of it that bestows some benefit to the agriculturists of the Northwest, the unemployment measures, and then, finally, the Couzens resolution with regard to railroad consolidation.

In every instance the Senators from the Northwest took an active part in writing into these bills the desire and conscience of the people they represent. In some instances the Representatives in the House stood by these Senators, but in the aggregate, taking all of this legislation as a whole, I believe it will be admitted that the statement I made in the beginning of this speech, that from the day this House organized the Representatives from the Northwestern States have contributed to the enactment of legislation in harmony with the views of the conservative leadership of this House.

On the other hand, if Representatives from the States listed as progressive in the Senate had united with the progressives

on the Democratic side of this House the legislation enacted by the Senate would have been the legislation enacted by the House.

But regardless of that situation, and in view of the loyalty of the Representatives of the Northwest, I am here to-day to plead for them and to plead with the leaders of the House, the steering committee of the House, and the Committee on Interstate and Foreign Commerce and to say to them that in view of the fact that these men will shortly return to their several districts, they should be given some consideration, and particularly in regard to the Couzens resolution because of its effect on the people they represent, and its effect upon their political fortunes.

What is the history of the Couzens resolution? Everybody familiar with railroad legislation from the time the railroads broke down at the beginning of the war and the Government of the United States assumed control, and then while the railroads were under Government supervision they, the railroad executives, saw to it that Government control received a black eye. With the war over and the return of the railroads requested by the President of the United States, everybody is also familiar with the liberality of the Government as contained in the provisions of the Esch-Cummins Act. Embodied in the transportation act were two specific provisions relating to the merger of railroads, one allowing the Interstate Commerce Commission to prepare tentative plans for the consolidation of railroads in the United States into approximately 20 great systems. Another method would permit the railroads of the United States to consolidate or merge by lease or stock ownership. Under the latter method 50,000 miles of American railroads are already merged, and we have a tentative plan offered by the Interstate Commerce Commission that will reduce the number of American trunk lines to 20. But the particular merger that I have in mind, and one that is imminent and will take place unless we act and act now, is the merger of the two great northwestern railroads, the Northern Pacific and the Great Northern. Why this objection on my part?

Anyone familiar with the prosperity of the country, even though we are still to a great degree spellbound by that masterful oration of promise delivered by General CROWTHER when he in the closing moments of the tariff debate said that we would blossom forth into a prosperity heretofore unknown in the annals of America, although within 48 hours after he uttered it it was followed by one of the biggest crashes in the stock market that has ever affected the business of the country, with all of its deprivation and suffering—everyone, I say, familiar with the present situation knows what confronts us to-day. Regardless of that, however, what is happening on the railroads to cause us to act and act quickly? The men employed on the railroads of this country who held regular positions while Woodrow Wilson was President of the United States are now by reason of these consolidations without employment, they are on the extra list or are walking the streets of America looking for work.

Mr. KVALE. Mr. Chairman, will the gentleman yield?

Mr. MEAD. Yes; I will gladly yield.

Mr. KVALE. Do not the interests of these railroad employees go far beyond being a selfish one?

Mr. MEAD. The interest and well-being of the railroad employees numbering 2,000,000 as well as the interests of the millions of people in the great Northwest are of paramount importance and should be considered. Yes; I agree with my friend Mr. KVALE, their interests are above and beyond being selfish ones. However, the interest of the people and the employees seem to be of very little importance.

Mr. KVALE. Will the gentleman yield for a further question? I do not want the RECORD to appear that I intimated the gentleman was not defending the railroad employees. I perhaps anticipated the gentleman. I want the RECORD to show that these men, while interested selfishly still have the welfare of the entire communities at heart which they serve.

Mr. MEAD. I recognize the fact that the gentleman has not only the best interest of the railroad employees at heart, but a genuine and sincere interest in the people he represents so ably in this House.

Mr. HOWARD. Mr. Chairman, will the gentleman yield?

Mr. MEAD. Yes; I yield gladly.

Mr. HOWARD. The gentleman has stated the sad situation here and the need for the passage of this legislation. Having such knowledge of the situation, would he not be kind enough to name the particular legislative physician who is holding the anæsthetic to the nose of the resolution?

Mr. MEAD. I imagine the legislation is now being considered by the Interstate Commerce Committee, and the chairman might enlighten us on that subject.

Mr. HOWARD. In the Interstate Commerce Committee?

Mr. MEAD. In the Interstate Commerce Committee of this House. It will probably remain there until such time as it will be too late for us to act upon it before adjournment.

At the termination of Federal control on March 1, 1920, the transportation act became effective. This act contained a provision which required the Interstate Commerce Commission to prepare a plan for the consolidation of the railroads of the United States into a limited number of large systems. The transportation act also authorized the commission to approve the acquisition and control of one carrier by another. On February 25, 1929, the Interstate Commerce Committee of the Senate submitted a report on unification of railroads, in which the following appears:

> Everyone familiar with present-day railroad problems believes that the carriers and their properties should be consolidated into a limited number of strong, efficient, and well-balanced systems, capable of giving the public the service it demands at rates reasonable to the carrier, the shipper, and the public.

If this statement means that the railroad should be organized into few systems of large size to handle the steam-transportation business, there is certainly no agreement that such a result is desirable. The well-informed students of railroad problems, the operators of many of our railroads, traffic organizations, railroad employees, large financial institutions, and even members of the Interstate Commerce Commission, together with Senators and Representatives in Congress, have voiced their opposition and disapproval of the plans suggested by the Interstate Commerce Commission concerning the so-called unification of the railroads.

In view of this widespread opposition, who is it that wants to consolidate our railroads? What mysterious forces will be benefited thereby? Practical railroad men are in general agreement that efficient and economical operation is impossible when a railroad system expands beyond the effective control of a single head. Who are the interested parties to be considered in connection with this problem? First of all, and by far the most important of the interested parties is the public. Its interests are paramount. The public demands service at reasonable rates. It demands service over routes that shall be numerous in number and always operated on efficient, regular schedules. No consolidation, no matter what the financial benefits may be, should be adopted if it is against the public interests and welfare. The public pays the taxes, supports the railroads, pays its expenses and dividends, and when the service is curtailed, when the employees are "laid off" in large numbers, when shops and terminal yards are removed, the public suffers. Another party to be considered in connection with consolidations by any fair-minded, impartial individual or group having authority in this connection would be the actual owners of our railroads. Those who have invested their capital in the property of the railroads should not only be considered but we should insure to them the complete protection for their investment, and under no circumstances should any act of ours weaken their investments.

Another important factor in this question is the Government; and Congress, representing the people, responsible to the people, elected by the people, not the Interstate Commerce Commission, should have the first word and the final say as to the extent and limit of the unification of our railroads. Our experience with the Interstate Commerce Commission since the adoption of the transportation act, March 1, 1920, is such that we can not confer upon that body plenary power in this all-important problem. Their recommendations will be subject to the most thorough and searching investigation by the House and Senate in the next session or in the next Congress. The approval of the Interstate Commerce Commission in favor of the proposed merger of the Great Northern and Northern Pacific systems is certainly not in the public interest if consideration is given to the duly elected representatives of the people from the vast territory affected by this merger.

The representatives of seven Northwestern States called upon the Interstate Commerce Commission, and voicing the sentiment of the people they represent, asked the commission to hold up further mergers until the next session of Congress. This request was rejected by the commission.

The Minnesota delegation directed a petition to the commission informing them of the bitter opposition of the people of that great State to the proposed unification of these two railroads. The Senate of the United States, after extensive hearings, adopted the Couzens resolution, directing the Interstate Commerce Commission to call a halt to all mergers until such time as the Congress may be in a position to give this subject the consideration it merits. So far these protestations on the part of the people's representatives have had no effect on the

commission's order. Until such time as legislation is enacted preventing consolidations, except when it provides for the protection of the public interests, this resolution, which already has Senate approval, should be adopted by the House. Neither the Interstate Commerce Commission nor its legislation now being considered by our Committee on Interstate Commerce seemed to be concerned with the public welfare.

Mr. ANDRESEN. Mr. Chairman, will the gentleman yield?

Mr. MEAD. Yes; I yield.

Mr. ANDRESEN. The gentleman has referred very kindly to the Members of Congress from the Northwest. I want to say this before the gentleman proceeds, because he has been very kind on this proposition. He knows that we have all been active in trying to get action here by the Interstate Commerce Committee on the Couzen's resolution. A similar resolution was introduced in the House by the gentleman from Minnesota [Mr. KNUTSON]. What I want to know is this: Would the gentleman be willing to join with those who are interested in that proposition in having that legislation considered before Congress adjourns and stay here until we do get action upon it?

Mr. MEAD. I shall be happy to answer you in the affirmative, and I hope the vast majority of the Members of Congress will follow the gentleman's practical suggestion and stay here until we put an end to this scheme advanced by the Interstate Commerce Commission and destroy the possibility of that merger in the gentleman's district, which, if accomplished, will interfere with and, perhaps, ruin the prosperity now enjoyed in that section, such as it now is. [Applause.] I know the gentleman and others from the Northwestern States called on the Interstate Commerce Commission and pleaded with them, but their appeal was in vain. The representatives of the State of Minnesota petitioned the commission and again their plea was refused.

It occurs to me that the leadership of this House, recognizing your loyalty and realizing that the Senators from these progressive States took the matter in their hands, introduced their own resolution and passed it through the Senate, and in view of the fact that you gentlemen have exhausted every means of appeal, would report out the same resolution in your interest, in the interest of the railroad employees and of the people in the territory that you represent in this House.

Mr. Chairman, I have had many years of experience on railroads throughout the country. The gentleman will agree with me that an organization that is too vast for one single head to manage, can not be efficiently managed. If this merger program is enacted into law, I believe such a situation will result. The railroads will become so large they will become unmanageable. It may eventually become necessary for the Government to step in and take them over again and not only control them but own them absolutely. There will be nobody to blame but the financial wizards, so called, who are behind and inspiring these mergers.

There is no assurance that weak roads will ultimately be absorbed into stronger systems. The motivating force back of present plans is a financial one, its aim is to increase the profits of the few individuals who now control the railroads of America. Service, the employees, the shipper, and the general public are shunted to the rear in this sordid drive for increased dividends. Railroad consolidations, as proposed, will aid financiers and promoters, but will be of no value to the public. Scores of cities will lose the essential basis of their property when workers are transferred to other localities as steps are taken to increase efficiency in operation. Efficiency of management, instead of being improved, will be distinctly impaired as the size and length of the railroad systems are increased beyond that which can be personally supervised by a single management. These consolidations will mean the ultimate determination of policy by persons remote geographically and disinterested in the territory served by the railroad. It is bound to bring about destructive effects upon the employees in the transportation industry, resulting partly from the results of efforts at efficiency and economy, and partly because of policies which are not productive of either efficiency or economy.

At present railroad divisions are being lengthened, terminals, shops, and other facilities are being moved and consolidated, with losses amounting to millions of dollars, losses of employment which have affected over 200,000 employees, resulting, as well as losses through part-time employment which have affected almost every railroad employee, have been brought about and are being brought about without any noticeable public gain, but to the injury of many of our cities and villages which are now fighting for their very existence as the result of the present-day tendencies of our railroads. Before further action is permitted the Interstate Commerce Commission, the huge losses incurred by railroad employees, by hundreds of communities located along the lines of consolidating railroads, the losses sustained by merchants deprived of their customers, all these should be considered and there should be some real assurance, some definite fixed assurance, of public benefit before the wholesale destruction of prosperous cities and towns should be permitted by the Government. In the authority already conferred by the Interstate Commerce Commission, as well as in the provisions of the legislation approving consolidations now pending in the House and Senate, neither the public interest, nor the protection of railway employees are considered of paramount importance, and yet we are here by reason of public approval, and as their representatives, we must insist that their interest be made superior to all others.

The financial geniuses, so called, as I said before, that have inspired these mergers are not in agreement with the management of the roads or the employees of the roads, and they are certainly not supported by the people whom these railroads serve, for they are all opposed to their plans.

Mr. McCORMACK of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. MEAD. Yes; I yield.

Mr. McCORMACK of Massachusetts. Can the gentleman give for the RECORD some idea of the number of employees who will be affected if these mergers go through?

Mr. MEAD. I will say to the gentleman that already 200,000 employees of the railroads are without work on account of the 50,000 miles of road that have already been merged, and if the suggestions of the Interstate Commerce Commission are made effective a quarter of a million more will be added to the unemployed list. Cities and towns will be wiped out, shops and terminal yards will be dispensed with, and the prosperity we are hoping to have return will be postponed indefinitely.

It is just as safe to predict that higher rates will result from further consolidations as it is to promise the shippers a downward revision of charges.

Without the limited number of systems the public has received the benefit of a rate reduction. Consolidation will not result in lowering rate charges, which is confirmed by Mr. William H. Williams, who has been one of the outstanding executives of the railroads in actually consolidating properties. In a recent address before the Chicago Association of Commerce he stated the following:

> It is our view, based upon a somewhat careful study of the more important unification cases considered by the Interstate Commerce Commission, that the economies to be realized from rail consolidation are often overstated. Any well-considered consolidation should of course result in numerous economies which in the aggregate will be substantial; but it is doubtful whether sufficient economies will ever be realized through consolidation alone to make possible a general reduction in freight rates.

RAILROAD CONSOLIDATIONS

Opinions from reputable individuals, backed by authority and experience, should prompt Congress to defer further major consolidations of existing railroad systems. President Hoover, when Secretary of Commerce, in his annual report for 1926, had this to say:

> The railways during the past five years not only have built up adequate service and given complete correction to those ills, but they have by a great ability of their managers greatly reduced transportation costs and thus made rate reductions possible which would not have been otherwise the case.

In a publication entitled "The Consolidation of Railroads," issued by the National City Co. of New York, the author makes the following comment:

> Much has been written and said regarding the economies that may result from the wholesale railroad consolidation contemplated by the transportation act, in consequence of which it may be possible for the carriers to operate at lower rates and still receive an adequate return on the property value. Not only is there no certainty that a reduction in operating costs would follow as a result of such consolidation, but if it should mean some of the steps mentioned, such as the removal or readjustment of repair shops, change in the division points, etc., wide dissatisfaction would be sure to follow, because unification in pursuance of a general consolidation plan would involve many changes in the duties and the home location of many of the 2,000,000 men and women engaged in the transportation industry of this country. It is conceded on all sides that at the present time our railroads are being operated with greater efficiency than at any time in their history, and there is no escaping the conclusion that this means that the vast majority of those engaged in the transportation industry have its best interests loyally at heart. Human nature being what it is, these workers hardly can be expected to show any great enthusiasm for unification that would mean disruption of their accustomed duties and home ties. The other residents of the communities affected also would be injured, involving in some instances the elimination of a community's sole means of livelihood.

The late Sir W. M. Acworth, noted British authority on railroad transportation and a close student of American railway problems, stated:

In the United States your great systems are already so large that they have probably secured all the economies which are due to large-scale production. Their equipment is standardized, their division points conveniently arranged, their shops established at suitable centers, and the members of their headquarters staffs have each of them as much as they can do.

The Secretary of Commerce, Mr. Robert P. Lamont, referring to more rapid deliveries and improved conditions generally now prevailing in the industry, recently said:

In this connection it is interesting to note that approximately $50,000,000 annually in interest alone on freight in transit in the United States is saved due to this expedited freight delivery.

Commissioner McManamy in his concurring opinion in the recent consolidation plan has this to say in reviewing the conditions that led to the consolidation provisions of the transportation act:

The point I am leading up to in this brief reference to conditions surrounding the birth of the consolidation provision is that I doubt if anyone will contend that under present conditions the consolidation provisions would have become a part of the law. Transportation conditions would not have justified it.

Commissioner Eastman, in his concurring opinion, informs us:

Under these circumstances I submit that there is no wisdom in experimenting with a reasonably satisfactory situation by radical attempts to promote consolidations out of hand on a grandiose scale, and that there is, on the contrary, every reason for proceeding cautiously and conservatively. I do not wish to minimize the possible benefits of consolidations or unifications. In many cases they have been beneficial in the past, and without doubt many will be in the future. But I believe that there is a present tendency, in certain quarters at least, to magnify beyond reason their possible advantages and to overlook almost entirely their possible disadvantages and dangers.

At the time of the hearings in the House when the transportation act was being considered, one of our leading railroad executives, who has been connected for many years with one of our most successful systems, said:

I may add, though perhaps not relevant to the main point I am discussing, that my judgment is against the consolidation of all the railroads of the country into a few companies, say from 10 to 30, because I believe the companies would be too large and unwieldy for efficient and economical management. I believe that railroad executives generally will agree that railroad systems may be made too big—there are limits beyond which a railroad system should not, in the interest of economy and efficiency, be extended by consolidation with or acquisition of other lines. I am very confident that this is true. More important still, consolidation should not be arbitrary. Each should be for a definite purpose and, where the Government regulates, for a definite public benefit. I am entirely in accord with the policy of removing some of the restrictions and permitting consolidations, subject always to approval, after hearing, by the Interstate Commerce Commission. I believe that the absorption of some of the weak lines by the strong lines, upon fair terms, should be promoted. But competition in service and facilities should not only be preserved, but should be extended, and no consolidation should be permitted which in substantial degree eliminates such competition. I believe that the existing railroad systems should be taken as a basis and such consolidation as is desirable should be built upon that basis.

With these changed conditions which have taken place since the passage of the transportation act in 1920, the general railroad situation so far as production, efficient management, and operation are concerned, the advantage resulting from unification under the plan proposed by the Interstate Commerce Commission which may have appeared desirable at that time has not only lost its attractiveness but is froth with grave and serious dangers.

Since the passage of the transportation act the commission has already authorized the acquisition of control of some 50,000 miles of lines under one of the two methods prescribed under the provisions of the transportation law. Under this method unification by means of acquisition of control by one carrier or another, under lease or through the purchase of stock or by any other method, is permitted, provided that such unification does not involve actual consolidation of the carriers concerned therein into a single system for ownership and operation. The economies effected, the vast number of employees dismissed from the service, the shops and terminals which have been eliminated, and the towns and cities whose prosperity have been injured have taxed the public welfare beyond its capacity to absorb the evil results, and at this particular period of our country's history, with unemployment greater in May than in the middle of last winter, the effects of a continuation of this policy, suggested by the Interstate Commerce Commission, is bound to have a disastrous effect upon the Nation, and it is of paramount importance that we pass the Couzens resolution bringing to an end, at least temporarily, the further merging of our railroads. [Applause.]

Mr. WOOD. Mr. Chairman, I yield 15 minutes to the gentleman from New York [Mr. FISH].

The CHAIRMAN. The gentleman from New York is recognized for 15 minutes.

Mr. FISH. Mr. Chairman and members of the committee, in the closing days of the session I rise to protest the suspension of Jewish immigration into Palestine as a violation of the Balfour declaration, and a further violation of the Zionist resolution adopted by the Congress of the United States some eight years ago.

It must be self-evident to Jews and non-Jews alike that suspension of Jewish immigration means that the homeland which was promised can not be attained, and that the policy of establishing such a homeland depends from beginning to the end on permitting Jewish immigration into the land of their fathers. In 1922 the Sixty-seventh Congress of the United States passed unanimously a joint resolution "favoring the establishment in Palestine of a national home for the Jewish people," which I had the honor of introducing in the House of Representatives.

That resolution placed the stamp of approval not only of Congress but of the American people on the age-long aspirations of world Jewry for the rebuilding of their ancestral homeland in Palestine. Ever since the exile of the Jewish people from the land given to Abraham by Jehovah their hopes and their dreams have been woven about their eventual return to their heritage. Centuries passed and the Jews were scattered throughout the world, through the destruction of Jerusalem by the Roman Emperors. In America, where 4,000,000 Jewish citizens now live, they have made outstanding contributions to every phase of our country's development. In peace and in war, in science and in industry, in commerce and in art the Jews of America occupy a foremost place in our national life.

The Jews of the United States, in common with the Jews everywhere, have a deep attachment to their racial and religious ideals, and have remained devotedly loyal to the idea of rebuilding a center of Jewish civilization, where their unique genius might again find unhampered expression as it did in the days of old. Therefore, when the British Government, on November 2, 1917, issued the Balfour declaration, American Jewry was thrilled by this pledge of one of the world's greatest governments to facilitate the establishment of the Jewish national home in Palestine. Because of the nobility of the idea, every civilized country in the world supported the declaration of Great Britain.

In 1922 the United States Government gave formal approval to the declaration, and on December 3, 1924, there was adopted the American-British Palestine Mandate Convention, which constituted a treaty respecting the rights of American citizens in Palestine. In that treaty was embodied the text of the Palestine mandate, which was awarded to Great Britain by the League of Nations, thus giving us a direct interest in the administration of the Holy Land.

But within recent months action has been taken by the British Government which has aroused indignation among the Jews of the United States, as it has among all lovers of fair play and respectors of sacred promises. Last month the British Government suspended Jewish immigration into Palestine on purely political grounds. This conclusion is inescapable, inasmuch as the 3,300 immigration certificates that were withdrawn had previously been approved as economically justified by the high commissioner of Palestine. Within recent weeks the British Government issued a white paper, in which it indorsed a majority of the conclusions of the commission of inquiry, headed by Sir Walter Shaw, which was sent to Palestine to investigate the riots of last August. By suspending Jewish immigration into Palestine, Great Britain nullifies the mandate and destroys the very foundations of the Jewish national home.

For us in America the situation in Palestine is of particular concern. Our Jewish citizens have poured tens of millions of dollars into the country for the purpose of upbuilding it. They have made great sacrifices so that there could be laid a basis for a new center of Jewish civilization and so that tens of thousands of Jews from eastern Europe, suffering from economic destitution and political and religious discrimination, might find a haven.

The attitude taken by the British Government threatens the work that has been done in Palestine by the Jews of the world in the past decade. There has been laid down the principle that Jewish immigration into Palestine should be governed by the economic capacity of the country. That principle is now being violated by Great Britain. To hinder the entrance of

Jews into Palestine for any other reason is to make a mockery of the Jewish national home; it is to betray the trust that has been placed in Britain by the civilized countries of the world. It is, finally, to nullify the agreement that has been entered into between Great Britain and our own Government. For article 7 of the American-British Palestine Mandate Convention specifically states that—

> Nothing contained in the present convention shall be affected by any modification which may be made in the terms of the mandate, as recited above, unless such modification shall have been assented to by the United States.

As far as my information goes, no modification in the mandate has been agreed to by the United States. And article 2 of the mandate states that—

> The mandatory shall be responsible for placing the country under such political, administrative, and economic conditions as will secure the establishment of the Jewish national home.

Last August there occurred in Palestine one of the most revolting episodes in modern history, when a group of Arabs, incited by fanatics and propagandists, fell upon innocent Jewish men, women, and children and slaughtered them in cold blood. The world was horrified. President Hoover issued a statement at that time expressing his concern. To the average person it would seem as though the events of August should have encouraged and strengthened the British Government in its efforts to aid the Jewish people in the establishment of their homeland. But its conduct has been of such a character as to seem to encourage the rioters and the murderers. Instead of making efforts to reassure the Jews and to make them feel that the British Government will extend even more cooperation, the Jews have been made to feel that they were the guilty parties and that it was they who initiated the riots.

The British Government is in Palestine for the purpose of establishing the Jewish national home. That purpose does not conflict with the rights of the Arab people. And there is no intention that it should. That is also the understanding of world Jewry, whose leaders both here and abroad have shown that they are anxious for peaceful and harmonious relations with the Arabs. It is universally admitted that the work done by the Jews in Palestine has been of immeasurable benefit to the Arab residents of the country. There is no question but that what Jews will do in the future will also advance the interests of the Arabs, who have for many centuries in the past been suppressed by absentee landlords either of their own people or among the Turks.

I speak here to-day to state that it may become necessary for the Government of the United States to call upon the Government of Great Britain to inquire with regard to its future intentions in Palestine, whether it proposes to carry out the obligations which it assumed in accepting Palestine as a mandated territory. Millions of dollars of American money are invested in Palestine. Besides that, the hopes of millions of our fellow citizens are centered in its development. The United States is interested in the property of its nationals wherever it may be. It is, therefore, our grave concern that the interests of American Jews in Palestine shall not be jeopardized.

The relations between the American and British people are friendly. Both sides are anxious that they should remain so forever. I, therefore, call upon the people of Great Britain to see to it that their Government respects the sacred promise which it made not only to the Jews but to the entire world. The reestablishment of the Jewish national home is a moral obligation assumed by the governments of the world, with Great Britain as the executor of that obligation. Either she must administer that obligation in the sense accepted by the other peoples, or she must confess her inability to do so, so that the proper action may be taken.

Let me conclude by quoting extracts from speeches of Lord Balfour, the author of the Balfour declaration, and former Secretary of State of Foreign Affairs of Great Britain: Speaking on Zionism and Great Britain, at the Albert Hall at a demonstration organized by the English Zionist Federation, to thank the British Government for the decision to incorporate the Balfour declaration for a Jewish national home in the treaty of peace with Turkey, July 12, 1920, he said:

> We are embarked on a great adventure, and I say "we" advisedly, and by "we" I mean on the one side the Jewish people, and I mean, on the other side, the mandatory power of Palestine. We are partners in this great enterprise. If we fail you, you can not succeed. If you fail us, you can not succeed. But I feel assured that we shall not fail you and that you will not fail us; and if I am right, as I am sure I am, in this prophecy of hope and confidence, then surely we may look forward with a happy gaze to a future in which Palestine will indeed, and in the fullest measure and degree of success, be made a home for the Jewish people.

Later, on June 21, 1922, Lord Balfour spoke on the mandate for Palestine, before the House of Lords, in part, as follows:

> Surely, it is in order that we may send a message to every land where the Jewish race has been scattered, a message which will tell them that Christendom is not oblivious of their faith, is not unmindful of the service they have rendered to the great religions of the world, and that we desire to the best of our ability to give them opportunity of developing in peace and quietness under British rule, those great gifts which hitherto they have been compelled to bring to fruition in countries which know not their language, and belong not to their race? That is the ideal which I desire to see accomplished, that is the aim which lay at the root of the policy I am trying to defend; and though it be defensible indeed on every ground, that is the ground which chiefly moves me.

As sponsor of the Zionist resolution adopted by the Congress in favor of establishing a homeland for the Jewish people in Palestine, I believe our Government has a moral obligation to oppose any attempt of Great Britain to modify or to change its policy as laid down by the Balfour resolution. For a long time I have been a convinced Zionist and have faith in the reestablishment of a homeland for the Jews in Palestine under the British mandate. I am unwilling to believe that the British Empire intends to repudiate its plighted word. Great Britain has always gloried in the fact that its word was its bond, and it is not conceivable that it should default on the promises made in the Balfour declaration and repeated on numerous later occasions.

I am not one of those that delight in twisting the lion's tail simply to hear him roar. I count myself as a friend of Great Britain, but impartial judgment must admit that the British administration, under the mandate in Palestine, was not only lax but criminally negligent in not taking proper steps to safeguard the lives of Jews and Christians from being massacred by fanatical Arabs. The steps taken by the British Government were not only belated but inadequate, and as a result 11 American students in a college in Hebron were slaughtered in cold blood, without any means of defense. In addition approximately 100 defenseless Jewish men, women, and children, martyrs to the cause of Zionism, were butchered by fanatical Arab hordes. It is the duty of Congress to demand full indemnity for the families of the murdered Americans.

Public opinion the world over demands of Great Britain that such a tragedy shall not happen again and that Great Britain shall rescind immediately the suspension of Jewish immigration to Palestine and do everything in its power to uphold and maintain the promises and pledges given in the Balfour resolution. [Applause.]

Mr. AYRES. Mr. Chairman, I yield 20 minutes to the gentleman from Oklahoma [Mr. McKEOWN].

The CHAIRMAN. The gentleman from Oklahoma is recognized for 20 minutes.

Mr. McKEOWN. Mr. Chairman and members of the committee, in the present bill an appropriation of $250,000 is carried additional for the Law Enforcement Commission. I understand it has cost $125,000 or thereabouts already.

Now, I did not have any preconceived opinion in the matter, but I thought a commission to study law enforcement in this country would probably be a good idea when it commenced, and the President appointed a Law Enforcement Commission with a very distinguished lawyer of New York as chairman. Of course, the idea became prevalent throughout the country that the purpose of the Law Enforcement Commission was to study the question of prohibition and make a report to Congress as to whether we should continue the prohibition laws as we have them or whether some modification should be made. But it soon appeared that this was not one of the duties of the commission, and so members of another body became impatient and called upon this commission to suggest legislation to relieve congestion in the courts.

In response to that request from another body, the commission sent up this report recommending certain legislation known as the commissioners' bill. When those bills came up, they naturally were referred to the Committee on the Judiciary in the House. Then the news went throughout the country that this commission had recommended abolition of trial by jury. That was not exactly the report of the commission, but it did, in a way, propose a new definition of crime in America. It proposed petty offenses, with jail sentences, something entirely foreign to the ordinary conception of the American people of a petty offense.

Mr. SUMNERS of Texas. Will the gentleman yield?

Mr. McKEOWN. I yield.

Mr. SUMNERS of Texas. Is the gentleman referring now to one of the bills that was recommended by the crime commission?

Mr. McKEOWN. Yes. I am referring now to the commission's first recommendation. They proposed a new step in crime, a petty offense; taken from the common law, but a petty offense, as understood by the American people, was not an offense to which a jail sentence could attach. They proposed to make a petty offense punishable by six months' imprisonment without hard labor, as the limitation of punishment. Of course, the Committee on the Judiciary never reported that bill, and in my judgment it would have been futile to have reported it, because it is very doubtful if this House will ever surrender the right of trial by jury.

When we received the report it was evident it had been made up by lawyers who had never been engaged in the common, ordinary, everyday practice. The trouble with it was that it disclosed an unfamiliarity with the trial practice in commissioners' courts.

We have already appropriated $250,000 for this commission, and they have sent in this report which has been passed by the House.

If I were a little more modest I would not say what I am going to say now; but I hold in my hand a bill which I introduced back in the Seventieth Congress. It does the very same thing that this commission's report does, and it has not cost the United States Government one penny above my salary.

Now, coming back to the question of petty offenses as suggested by this commission carrying six months' imprisonment as a penalty, it is an innovation, because the American people understand crimes are divided into two classes, namely, felonies and misdemeanors. Felonies consist of all crimes the penalty for which is more than one year imprisonment and a fine of not less than $1,000. All crimes carrying less penalties are misdemeanors. It would have been very simple to amend our law. We could have amended the Jones Act by saying, "All slight and casual offenses shall be punished by imprisonment not to exceed one year and by a fine of not to exceed $1,000." Then we could have amended another section of the criminal code by making it read that all misdemeanors, not infamous, shall be prosecuted either by information or by indictment. Then you could go to the commissioner's court and prosecute by information on all misdemeanor cases, or in the district court.

This commission is now studying the question of law enforcement in the United States. There has been a lot of talk about English law and procedure. England has been set up to us to look to on the question of enforcing the law, and they have quoted how small crime is in England as compared with the United States, and they have set up the English procedure. Now, ladies and gentlemen, I have no fault to find with England. Our form of government came from England, but we can not apply in this country the laws of a country where there is class distinction; where one man is a gentleman and another man is a common man. That kind of a rule can not be applied in the United States where every man is a free man and every man has the same rights under the law.

If you want my idea of what is the matter with law enforcement in this country, I can tell you; but you will think I am old fogy, because I think respect for law is founded in the homes of this country, and it has to be inculcated in the homes of this country. [Applause.] The changes that are taking place in this country are changes in our home life. I can cite a little town in South Carolina of probably 4,000 people. The people belong to a certain branch of the Protestant Church. They do not say "Sunday"; they say "the Sabbath Day." They do not allow you to say "Sunday." It is written in the charter granted to the railroad which enters that town that trains shall not be operated on the Sabbath. So the trains do not operate on the Sabbath to this good day. They are strict in teaching and bringing up their children, and I am told for a hundred years there has scarcely been a violation of law which amounted to a felony in that town.

Of course, we are traveling fast. Inventions have brought about a change in our entire economic life, a change in our spiritual life, and a change in our home life. It has changed our respect for the laws of our country. We are living too fast. You will say "that is old fogy," but I say to you there is not as much happiness in this country to-day, when you roll out the fine limousine on Sunday morning to go to church as there was when you drove old Dobbin to the shay. I am for progress, but I will show you what you are doing. You have your civic dinner clubs. They meet and eat and get up and decide to do some civic improvement, to pave some street or put in a sidewalk. The result is you have paved and sidewalked and sewered all the poor widow women's property away from them and many laboring men are not able to meet the assessments which have been placed upon their homes. They have been assessed out of their homes, and they have to live in rented houses. You have the pavement, you have the progressive city; but you have brought that about by a lot of sorrow and sadness.

Now, gentlemen, you will think I am a real pessimist, but I am trying to give you some real, good, common sense about the situation in this country. You have your fine progress, you have your fine civilization, and you are living in a whirlwind and a hurry. But there are a lot of people in the United States only 20 minutes ahead of the sheriff. That is the situation as far as financial matters go. There is worry, and all that goes with it. Talk about respect for law! You have your automobile. People have stopped staying at home. They do not take time enough to train their children to respect the law. They do not teach them anything about respecting the law. We hear a lot of talk about the inroads of liquor on our young folks. That is not any excuse to change the liquor laws. The thing to do is to change our home life. Do you know what takes place? Everybody lives in an automobile now. They do not stay at home any more. They live in an automobile. They buy the automobile on the installment plan. As long as they had the cash they paid cash. When the people got out of cash they decided to sell them on the installment plan. After they got out of money with which to buy them on the installment plan they trade in the old car, give them a big credit and still sell them on the installment plan. Not only that but we finally got to where we sell clothes and shoes and everything on the installment plan. Right now the trouble with the country is that a lot of men who were paying out on the installment plan are out of work and can not meet the installments.

That is what is bringing about a lot of our trouble. It is an economic situation. We all want to live a little faster, and we have just forgotten all about the good old-time religion that our mothers and our fathers taught us.

Mr. BOYLAN. Will the gentleman yield?

Mr. McKEOWN. Yes.

Mr. BOYLAN. Does not the gentleman think that a part of this condition is due to the fact that Congress has tried to legislate morality into the lives of the people instead of having morality inculcated in the homes? We are filling our jails and prisons. Every day we are passing a new law making it a penal offense to do this or to do that. We are 5, 10, and 15 years behind in our prison accommodations, and yet we are passing laws day after day to increase the prison population.

Mr. McKEOWN. Well, I think there is a lot in the gentleman's contribution. But here is what I am driving at: We are paying this commission $250,000 to come in and tell us what is wrong with the country; tell us how to enforce the law and have respect for the law. And what have they suggested and what have we passed? The mountain travailed and brought forth a mouse. That is what has been done up to date. That is the thing I am objecting to. We have not gotten down to fundamentals, my friends. As suggested here a while ago, our people are beginning to rely on the law of the country to raise their children instead of raising them at home or teaching them morality at home. The people of this country have gotten to living too fast, until they fail to teach the fundamental principles that ought to be taught in the home and be inculcated in the home.

Now, gentlemen, there is another thing. We talk about the legislation this commission has recommended, and yet my good friend the gentleman from Arkansas [Mr. GLOVER] had not been here two or three months before he introduced an excellent bill providing for the simplification of practice in commissioners' courts. Yet this commission has not taken up his idea or given his bill any consideration. They did not bring in a report such as we expected them to bring in. My guess is that if there had been no commission's report to hamper the Judiciary Committee that committee, with the assistance of the able Attorney General, could have acted more satisfactory and punctual in the passage of new legislation.

Mr. DUNBAR. Will the gentleman yield?

Mr. McKEOWN. Yes.

Mr. DUNBAR. The gentleman said he expected this commission to bring in a report and that such a report would furnish us some guidance in the observance of law. A while ago the gentleman gave us his idea as to what should be done in the way of securing the observance of law. Does the gentleman think they could bring in anything better than that which is included in his suggestion?

Mr. McKEOWN. Well, I thank the gentleman for the compliment. They were supposed to give us something that would guide us in passing legislation to secure the observance of the law.

Mr. SCHAFER of Wisconsin. Will the gentleman yield?

Mr. McKEOWN. Yes.

Mr. SCHAFER of Wisconsin. I would suggest that the gentleman be patient and support the appropriation for this Law Enforcement Commission, for after a further study of all the facts which lead to the disrespect of law I have no doubt they will come in with a report in favor of the real solution of the problem, and that is a repeal—if not a repeal, a drastic liberalization—of the sumptuary prohibition laws.

Mr. McKEOWN. Well, I am going to say this to the gentleman: I notice that all of these fellows who are for the program of repeal are trailing the ticket. Every time the returns come in here I notice that. [Laughter.]

The chairman of the Judiciary Committee did not give me a hearing on my bill and the Law Commission paid me "no mind." I tried to submit my bill for their consideration, but I could get no consideration. I even went to the expense of paying for long-distance talk over the telephone and proposed a proposition which I thought everybody could agree on, a proposition to create Federal magistrates and let them take jurisdiction of all this criminal business, and thus take out of the courts all of the small business that is all the time bothering them. But I could not get a hearing. They called a meeting of the commission, but never invited a single Member on the Democratic side to propose anything. I think a commission of this kind should be broad-gauged; it should be nonpartisan and should try to be nonpolitical. Speaking of the congestion in the courts, if they will go to work and raise the amount of Federal jurisdiction in civil cases from $3,000 to $10,000, as proposed by a bill of the gentleman from Arkansas [Mr. PARKS], there would not be so much congestion in the Federal courts in civil cases.

There is another thing which has a direct bearing on the question of the disrespect for law, and that is the tyrannical conduct of some of the Federal judges in this country. [Applause.] That is what makes disrespect for the law. When you have these men who represent the great Government of the United States, the only men who come directly in contact with the people of this country, acting in a tyrannical and overbearing manner, and discourteous to counsel, to witnesses, and to the public, how can you expect the people to have respect for the law? The American people are not going to respect people who try to browbeat them and take advantage of their position to override them. Another thing about it is that when you talk about disrespect for the law, our judges, who are appointed for life, ought to be the most humane men in any position. They ought to be men who realize the importance of their position, which they have for life. They ought to be most patient and kindly disposed toward the citizens, and by their example instill love and respect for our country, its laws, and institutions.

The CHAIRMAN. The time of the gentleman from Oklahoma has expired.

Mr. WOOD. Mr. Chairman, I yield to the gentleman from Ohio [Mr. FITZGERALD] such time as he may desire.

Mr. FITZGERALD. Mr. Chairman and gentlemen of the committee, on May 16, when the House of Representatives was in the Committee of the Whole for the consideration of the naval appropriation bill, as the House now is for the consideration of this deficiency appropriation bill, one of our colleagues, the distinguished Member representing the district in New York where the great institution for our national defense in the training of our young men for the Army, the West Point Military Academy, is located, took the opportunity to make some observations on athletic conditions at that institution. Since then he has been quoted, and perhaps misquoted, throughout the press of the United States, and I have in mind especially an editorial in the Dayton (Ohio) Journal, of June 14, in which he is criticized for expressions attributed to him, and I have before me a clipping from the New York World of Monday, June 16, 1930, in which he is quoted as having stated that six of the last nine Military Academy's football captains have resigned from the Army without rendering the usual 4-year term. There is an inference that these men were favored. Statistics do not bear this out. During the last 11 years 3,974 officers resigned from the Army; of these 3,030 were lieutenants, and of these lieutenants only 25 were football men who had won their letters at West Point.

It seems to me, my colleagues, this matter is of sufficient importance now to have the truth and the full truth known, and no longer to indulge in surmise or in innuendo which may cast reflections upon this great school, upon the War Department, the Army, and those who have charge of the training of these splendid young men, all of whom are appointed to the academy by the President and Members of Congress and become part of the institution governed by the laws of the United States.

A few years ago, in 1926, the Naval Academy desired to contest at football with West Point. The Naval Academy is made up of young men appointed as cadets are appointed to West Point. It likewise is a Government institution. The young men are sent there by Members of the Congress and by the President as a part of the national defense system.

Until 1912, six years were thought necessary to train a young man to be a capable officer in the United States Navy. After 1912 the period of training was reduced to four years, which is now the same term for both the Military and Naval Academies.

Before 1912 a young man might enter the Naval Academy at the age of 16. He can still do so after the term has been reduced from six to four years and the Navy Department approves this age limit under the new conditions. A young man can not enter West Point until he is 17. Young men may now be at Annapolis in their senior year at the age of 24 and they may be in their senior year at West Point at the age of 25.

In 1926, the Naval Academy desiring to compete with West Point at football entered into a written contract under which for four years it was agreed that these two academies should vie with each other for supremacy in football. Before one-half of the time had elapsed, the Naval Academy, realizing what they had always known, that their young men were on the average a year or rather nine months younger than those at West Point, although there were more of them to select from, felt that as the colleges throughout the United States had fixed a 3-year limitation for varsity football; that is, had agreed that no young man could play upon a varsity team in college more than three years, no matter whether he attended one or a score of colleges, the Naval Academy thought to take advantage of this idea and sought to repudiate the written contract and require West Point to handicap herself into presenting an inferior team, not representative of the institution. I note by Colonel Ford's report of May 18, 1929, that approximately 50 per cent of the corps of cadets at West Point have attended college for periods varying from periods of a few months to four years. The Military Academy has not sought football games with Annapolis. The first game was the result of a challenge from the Naval Academy in 1890. Any team that wants to play West Point must play West Point as the laws of the Nation constitute it.

Now, West Point is an entity. It is made up of young men sent there by the representatives of the Government, just as the Naval Academy is made up of students selected in the same manner. It is officially what it is. Because of the high qualifications, mental as well as physical, because of the Spartan life and because of the method of appointment, there is little opportunity for proselyting football players at either academy. It is not possible for any young man to go to West Point because of his athletic ability alone, in spite of the insinuations and innuendoes which have been spread abroad to this effect. Has any Member of Congress been sending boys to West Point or Annapolis on a football basis?

I want the situation better understood. I want it understood that West Point is a place of democracy where every young man, no matter what his career has been in or out of college, who crosses the threshold is immediately on an equality with every other cadet of his year. If he has played football, if he is strong mentally, if he has been proficient in a college course, so much the better for him, so much the better for the Nation, but he starts at scratch at West Point whether he has played football or not.

If the Congress of the United States provides that the age for West Point shall be greater than for Annapolis, then we turn to the record and find that the naval people have desired that the age limit at Annapolis remain as it now is, and that young men of 16 be admitted to the Naval Academy.

But the Naval Academy is an entity and West Point is an entity and if the Naval Academy wants to compete with West Point, she must compete with West Point and not ask that West Point have her hands tied behind her back; or if she wants to compete with West Point, demand a handicap, unless she proclaims inferiority and is willing to play not West Point, but its second or minor team. Perhaps matters might be better understood if West Point conceded a certain number of points per game.

Mr. BRITTEN. Will the gentleman yield for a question?

Mr. FITZGERALD. I very gladly yield to the gentleman from Illinois.

Mr. BRITTEN. I am in hearty sympathy with the gentleman's suggestion about the democracy of our institutions and about boys going there and starting from scratch. Would the gentleman go so far as to say that a professional runner or a professional boxer or a professional swimmer or a profes-

sional football player, once he gets into one of these academies, should play with those amateurs?

Mr. FITZGERALD. Absolutely. If we can get the best men in the United States, even if it is FRED BRITTEN, with his fine athletic career behind him, as a soldier at West Point, we are accomplishing what we set out to do—to get the finest manhood of America into Annapolis and into West Point.

Mr. BRITTEN. But I am sure when my friend gives serious consideration to my question he will not say that a professional prize fighter, a professional swimmer, or any other professional athlete, once he gets into the Naval or Military Academy, should compete with all the other amateurs of the United States because he is in that so-called democratic institution.

Mr. FITZGERALD. Oh, absolutely. If he is going to represent West Point, he represents West Point. West Point is what it is and that man is there because the law of the United States puts him there. That academy is what it is in accordance with the law, and you either compete with West Point or you are afraid or you do not dare or you do not care to compete with West Point because the men at West Point are, by the law of the United States, stronger, more able, more vigorous, and more virile than the men of some other institution. I can not say to my good friend here that I am not in favor of amateur athletics. I can not say to him that I do not want professionalism kept out, but I am speaking of the entity of these institutions.

If Annapolis wants to compete with West Point, she must compete with West Point, not with a minor team, not a restricted team.

A professional athlete is one who receives monetary or material benefit from sports.

No cadet or midshipman competes as a professional. Academy athletes are amateur athletes. I doubt if my friend from Illinois can recall any professional athlete ever appointed to West Point. As far as the record goes, no professional athlete has ever entered the academy at West Point. But in view of the democracy, the principle of equal opportunity to every cadet, I would not deny the privilege accorded to every other cadet because of pre-cadet condition, however far-fetched and improbable it may be.

Eligibility questions were raised by the Naval Academy as far back as 1903. Then, as now, the authorities there conceived that, because of the older age limit, West Point was more apt to receive young men of prior experience in college athletics than was Annapolis. Writing in Outing of June, 1903, Mr. Caspar Whitney, the most honored sports writer of his time, stated:

STRANGE MICROBE AT ANNAPOLIS

A politician appears to have come into the athletic field at Annapolis, which is a pity, for hitherto he has been an alien. The happiest occasions of the sporting year are the contests in which the teams of these two academies, so interesting to the Nation, meet, without preliminary jockeying, without discussions as to individual eligibility, without argument over rules. In a word, the teams from the Naval and the Military Academies have met as gentlemen should, confident in the honor and sportsmanship of each other.

And now comes a rank outsider, reared beyond the influences of Army and Navy tradition, to poison the underclassman mind with the detestable microbe that makes for the professional spirit! Under this baneful tutelage Annapolis demands of West Point that the eligibility rule of Harvard and Yale be adopted for the teams of the national academies.

There is no objection to the Harvard-Yale rule per se; it is an excellent one for the existing conditions of university sport; but at either West Point or Annapolis it would be presumptuous and intolerable violation of the spirit which has always ruled the cadets and their officers. The esprit de corps; the spirit of the Army and Navy of the United States of America; the spirit of fair play and a fight to the finish—which holds in contempt rule making born of the professional mind looking for short cuts to victory.

Any man who is eligible to cadetship at either academy is eligible for its teams; that is the only rule; it stands for honor and sportsmanship of Army and Navy equally.

That Annapolis should suggest any other is by no means to its credit.

What Mr. Whitney said in 1903 was true then, was true in 1927, and is true now.

In his letter of March 9, 1927, to the Superintendent of the Military Academy, the Superintendent of the Naval Academy stated frankly that the insistence of the Navy upon adoption of the 3-year rule by the two service academies was to secure parity of competition. He says in that one letter:

* * * * * * *

* * * the institution having the younger average age of entrance can not compete on terms of parity with the institutions having the older age. It is your desire and my desire to obtain parity of competition in athletic events.

With reference to football, the inexorable working of the conditions noted above are making themselves shown, leaving us in a position of competing on unequal terms, resulting in a steady succession of losses or tie games. This situation has become so pronounced that it is seriously affecting the morale of the regiment.

* * * * * * *

In searching for some basis to produce a parity of competition there is immediately brought into existence two elements for consideration: (1) That the West Point team contained a large proportion of players who had played collegiate football 3, 4, 5, and 6 years, and in one case a player who will play his seventh year; and (2) that the student body at Annapolis is somewhat larger than that at West Point.

Taking up the second of these conditions—that is, the difference in the size of the student body—I feel that any inequality of competition arising therefrom is offset by the older average age of the cadets.

* * * * * * *

This narrows the question down to the previous experience of the players, and it is here that I have been led by my own conclusions to look for the solution for parity of competition.

In the athletic world at large, most serious consideration in the interest of parity of competition, fair play, and clean sport has been given to this question and there has been taken as a basis for corrective measure the number of years in which any individual player has engaged in the same sport in intercollegiate contests. From consideration of this point there has come the 3-year rule.

It seems to me that the application of the 3-year rule to our athletic contests is reasonable, is in line with the ethics of standard procedure to-day, will produce a parity of competition between us.

* * * * * * *

I know that you fully understand that it is imperative upon me as superintendent to take some step to produce what we feel is parity of competition and to maintain our morale.

With reference to the low morale of the midshipmen, the Superintendent of the Military Academy's reply of April 7, 1927, is characteristic of the Army:

* * * I have been deeply interested in your view of the effect of the present score on the morale of the regiment of midshipmen and I confess that it is a new thought in my experience with the cadets of either academy. I trust that you will understand and pardon me when I say frankly that in our own experience we have found that the morale of the corps in athletic matters is largely a reflection of the state of mind of the authorities at the academy, while that of our teams is almost invariably attributable to their coaches. It is my observation that repeated defeats at the hands of Yale, Notre Dame, and the Navy have served only to crystallize and intensify the will to win on the part of the corps. * * *

On the date of Admiral Nulton's letter the two academies had played 29 football games. Of these Army had won 14, the Navy 12, and 3 games had been tied.

On that date eight games had been played since the World War. The Navy had won 3, the Army 3, and 2 had been tied. This looks like very close "parity of competition."

Eligibility rules are designed to protect honest teams from dishonest teams, to abolish the "tramp athlete," to outlaw the "ringer." An appointment by the President, a Congressman, or a Senator is an essential to entrance to both academies.

Under the rigid curricula of the Military and the Naval Academies, with no snap courses, conditions that brought into being the 3-year rule in civilian colleges do not and can not exist at either West Point or Annapolis.

From the instant a boy enters West Point he stands on his own merits. What or who his father is or was, how much money he has, what previous educational advantages he has enjoyed, are all a closed book. His standing depends entirely upon what he does after he enters the academy. All cadets start at scratch, with equal privileges, equal opportunities, and equal restrictions; all take the same subjects. First-year cadets are not allowed to play on varsity teams. Any upperclass cadet who is proficient in all his studies and in conduct, and who is not undergoing special punishment—and the standards of proficiency are rigid and high—is permitted to compete for varsity teams which play outside teams.

No cadet has any privileges over his mates, nor is he under any restrictions because of any prior collegiate training or lack of such advantage. To have even the few privileges that are attainable, he must earn them.

There can be no real athletic contest at football, or any other branch of sport, between the two academies unless each is free to present its best. The Naval Academy claims inferiority because its men, although more numerous, are younger and asks a handicap. This handicap might well be allowed in points, but if a handicap in any form is given, the contest can never be a contest between the two academies, although an arrangement might be made for the Naval Academy to play West Point's second team, frankly admitting conscious inferiority.

The students at both academies are there in accordance with the Federal laws. Democracy has been a principle at West

Point since its establishment in 1802, and there will be no change now to handicap or control any cadet because of prior scholastic or athletic training or achievement.

Better that the game of football be abolished at West Point than that practical democracy be jeopardized. West Point is one institution where your son and my son stand entirely on their own feet, judged solely by their record at the academy, and are assured of full credit for what they themselves do, even regardless of what you or I have done or have not done before them.

While we are on the subject of democracy at West Point let me submit a statement which redounds to the everlasting credit of the Military Academy and its system of strict equality of opportunity and treatment. It was voluntarily submitted to the superintendent by a colored boy, former Cadet Alonzo S. Parham, after he had been found deficient in his studies and honorably discharged:

* * * While a cadet at the Military Academy I have been accorded every opportunity and given every assistance in the power of the military authorities. I have no complaint to make as to my treatment by them.

Mr. Westbrook Pegler, a sports writer of note, said in his syndicated articles:

* * * The United States Military Academy just now is the only prominent school in the United States whose policy bespeaks full confidence in its own honor and in the honor of all schools with which it has athletic relations. * * * Perhaps the Army has an advantage. Even supposing that it has, the fact becomes insignificant compared with the state of affairs that General Winans indirectly calls to attention, wherein the great schools of the country can't trust one another to play only bona fide amateur student football men on their varsity teams.

The great Lincoln wrote:

I am not bound to win, but I am bound to be true. I am not bound to succeed, but I am bound to live up to what light I have. I must stand with anybody that stands right; stand with him while he is right and part with him when he goes wrong.

We have heard much captious criticism because that truly democratic institution, West Point, lives up to its light. I must part with my colleagues who, for motives known best to themselves, insist that the Military Academy depart from its sound principle of equal opportunity to every cadet, a principle of 128 years' standing, in order to adopt a rule which is proposed out of a sense of inferiority, real or imaginary.

In the last two years athletics at the United States Military Academy have been the subject of two searching investigations: One by the Carnegie Foundation for the Advancement of Teaching; the other just completed by the Inspector General of the Army, who happens not to be a West Pointer.

These reports assure us of the high plane on which West Point maintains its athletics. They clearly establish the absence of athletic professionalism and commercialism at the Military Academy.

We have heard attributed to athletics at the Point such allegations as misuse of funds; subsidizing athletes to come to the academy; promising these athletes early separation from the Army after completion of football playing; paying extra compensation to athletes; charges that academy teams are composed of former college and university "football stars"; and charges of semiprofessionalism and unamateurism. The Carnegie Foundation found nothing of this sort in the conduct of athletics at the Military Academy. (See Carnegie Foundation Bulletin No. 23.) The inspector general's official report declares these allegations and charges to be false.

Allegations similar to the foregoing have been made recently on the floor of the House. I shall quote some, all contained in the CONGRESSIONAL RECORD of May 16, 1930, page 9094. Here is one:

I believe the time has come for an investigation to be made at West Point to determine whether or not there was any officer or officers there who knew in the last two years that Cadet Cagle was married and connived at the fact and permitted him to continue at West Point and play upon the Army football team.

Those of us who are interested in amateur football, who are interested in the Military Academy at West Point, and in maintaining the high position and the high standards that have existed in the past in all the activities of the War Department must feel that an immediate investigation should be made to find out the facts and find out whether anyone was responsible for conniving and permitting Cadet Cagle to remain at the Military Academy in order to play football. And, no matter who that official is, he should be censured and transferred immediately from West Point.

I am informed that a searching investigation has been made, which reveals no knowledge by any Army officer at West Point or elsewhere of the marriage of Cadet Cagle or any irregularity concerning his appointment or resignation.

I have obtained and here present the report of Major General Drum, which indicates how unfounded was suspicion and how unworthy the utterance of our good friend from New York.

I commence to wonder from whom the apology is due. Is it from the Secretary of War, as claimed by him, who should be West Point's champion, or may it not rather be from our colleague himself?

WAR DEPARTMENT,
INSPECTOR GENERAL'S OFFICE,
Washington, June 7, 1930.

Subject: Investigation of activities of the Army Athletic Association.
To: The Adjutant General.

I. This investigation was made by Maj. Gen. H. A. Drum, the Inspector General, assisted by Maj. Leo J. Ahern, Inspector General's Department, at West Point, N. Y., and Washington, D. C., during the period May 22 to June 3, 1930, pursuant to instructions of the Secretary of War as contained in letter of May 20, 1930, from The Adjutant General to the Inspector General (AG 353.85,, Football, 5/19/30, Misc. F).

II. The matters investigated are stated in the following language in the confidential instructions communicated to the Inspector General in the aforestated letter of May 20, 1930, and in the memorandum which accompanied it:

"1. It has been alleged:

"a. That the Army Athletic Association is grafting or stealing money for themselves from the funds of the association.

"b. That the association has paid scouts traveling, who pick players and establish liaison with Congressmen and secure their appointments to West Point with the distinct understanding that they will be allowed to leave West Point or the Army when they have finished their football associations at the academy.

"c. That funds of the Army Athletic Association are used to pay players at West Point extra compensation.

"2. The Secretary of War directs that the Inspector General investigate personally these charges and examine thoroughly every activity and all methods pursued by the Athletic Association or other agencies with a view to ascertaining the truth or falsity of all or any portion of the allegations.

"1. It is alleged that 50 per cent of the West Point football teams during the last seven years were college men who had already played three years on the college teams. It is understood throughout that reference is made to the first teams, or the varsity teams at West Point and the colleges."

III. SCOPE OF INVESTIGATION

a. It is to be noted that the allegations involved in this case are general accusations. They are void of definiteness as to specific incidents, dates, persons, or places. Furthermore, there is no intimation to indicate the person or persons responsible for these allegations, i. e., the accusers. Such vagueness and intangibility, especially as to specific accusers, have necessitated an investigation based on indirect rather than direct procedure. Instead of being able to compel the accusers to prove the validity of their allegations, it has been necessary first to explore and to search for incidents corresponding to the allegations and, if such be found, then to fix the responsibility therefor. Consequently, the field of investigation has been especially broad and exhaustive. However, as the War Department instructions are marked "Confidential," the scope of the investigation has been restricted to persons and records within the jurisdiction of the Army. The investigation is believed to have been sufficiently comprehensive to establish adequately the truth or falsity of all or any of the allegations.

b. The scope of the inquiry has comprised:

(1) Examination of War Department records.

(2) Examination of the records and accounts of the Army Athletic Association and pertinent data of the United States Military Academy.

(3) Examination of the report of the Carnegie Foundation—American College Athletics—published in July, 1929.

(4) Examination under oath of the following officials associated with the United States Military Academy and the Army Athletic Association:

Maj. Gen. William R. Smith, United States Army, Superintendent United States Military Academy.

Maj. Gen. Merch B. Stewart, United States Army, retired, Superintendent United States Military Academy, 1926–1927; commandant of cadets, 1923–1926.

Maj. Gen. Fred W. Sladen, United States Army, Superintendent United States Military Academy, 1923–1926.

Lieut. Col. Robert C. Richardson, jr., Cavalry, commandant of cadets and member of the athletic board.

Lieut. Col. C. B. Hodges, Infantry, former commandant of cadets and former member of the athletic board (1926–27).

Lieut. Col. Chauncey L. Fenton, professor and member of the athletic board, United States Military Academy.

Col. Charles P. Echols, professor United States Military Academy from 1895 to date.

Col. Lucius H. Holt, professor United States Military Academy from 1910 to date.

Col. Clifton C. Carter, professor United States Military Academy from 1917 to date.

Lieut. Col. Sherburne Whipple, Adjutant General's Department, adjutant United States Military Academy.

Col. M. A. W. Shockley, Medical Corps, station surgeon and professor of military hygiene United States Military Academy.

Capt. Walter H. Wells, Infantry, publicity officer and intelligence officer United States Military Academy.

Mr. William J. Middleton, assistant chief clerk and clerk to the academic board United States Military Academy.

Maj. Philip B. Fleming, Corps of Engineers, graduate manager of athletics and member of the athletic board, United States Military Academy.

First Lieut. Royal B. Lord, Corps of Engineers, assistant graduate manager of athletics and officer in charge of construction for the Army Athletic Association, United States Military Academy.

Maj. William A. Copthorne, Chemical Warfare Service, former graduate manager of athletics, United States Military Academy, 1924–1927.

Lieut. Col. Otto L. Brunzell, Field Artillery, treasurer United States Military Academy and treasurer Army Athletic Association fund.

Maj. Montgomery T. Legg, Finance Department, finance officer, United States Military Academy and auditor of the Army Athletic Association fund.

Mr. Edward T. Rafferty, clerk, Army Athletic Association.

Master Sergt. Joseph Raedig, United States Army, retired, former clerk, Army Athletic Association.

Maj. Ralph I. Sasse, Cavalry, head coach of football and formerly assistant coach of football, United States Military Academy.

Capt. Lawrence McC. Jones, formerly head coach of football and now assistant in the office of the graduate manager of athletics, United States Military Academy.

First Lieut. Blacksbear M. Bryan, jr., Field Artillery, assistant coach of football and coach of the plebe football team, United States Military Academy.

First Lieut. Clovis E. Byers, Cavalry, business manager of the football team, one of the coaches of the plebe football team, and officer in charge of fencing team, United States Military Academy.

Maj. Robert R. Neyland, Corps of Engineers, former assistant coach of football, former officer in charge of baseball, and former member of the athletic board, United States Military Academy.

Mr. Harry O. Ellinger, assistant coach of football, United States Military Academy.

Mr. Raymond V. Roberts, athletic trainer, and formerly assistant trainer, United States Military Academy.

Mr. Frank A. Wandle, athletic trainer, United States Military Academy, from September, 1923, to April, 1930.

Mr. Leo V. Novak, head coach of basket ball, track, and cross-country, United States Military Academy.

Mr. Harold E. McCormick, head coach of baseball, United States Military Academy.

Maj. Wentworth H. Moss, Infantry, who was present at a "West Point dinner" in Boston, 1928 or 1929, at which Mr. Frank A. Wandle (then athletic trainer, United States Military Academy) made a speech with reference to athletics at the United States Military Academy.

Mr. R. F. Whitelegg (same remarks as in the case of Major Moss, above).

(5) Examination under oath of cadets now at the Military Academy who have participated in any way in football on the academy squads. This group comprised 154 cadets, involving all classes of the academy.

(6) Examination of a pertinent statement made in Congress and published in the CONGRESSIONAL RECORD of May 16, 1930 (copy attached).

c. As a similar investigation was made by the Inspector General's Department in October and November, 1921, mentioned hereinafter, the period of this inquiry has been limited to the years from 1921 to date.

d. For purposes of clarity in studying the allegations in question, the following terminology adapted from the Carnegie Foundation report has been utilized in a general way:

Scouting in football: An organized attempt to ascertain in advance the principles, methods, and details of play to be employed by opponents.

Soliciting athletes: Special efforts, not involving financial disbursements, organized or by individuals, to increase an institution's prestige in athletics by procuring athletes whose general qualifications and opportunities correspond to the normal product of the institution, and whose athletic prominence is incidental. In these cases no subsidy is involved.

Recruiting athletes: Special efforts, with or without financial disbursements, organized or by individuals, to increase an institution's prestige in athletics by procuring athletes, whose general qualifications and opportunities are deemed secondary to athletic ability, requiring special assistance offered by the institution. In these cases no subsidy is involved.

Subsidizing athletes: Securing athletes by offering or promising an inducement, assistance, favor, gift, award, scholarship, or concession, direct or indirect, which advantages an athlete because of his athletic ability or reputation, and which sets him apart from his fellows in the undergraduate body.

IV. FACTS AND RELATED CIRCUMSTANCES DEDUCED IN THIS INVESTIGATION

As a result of this investigation, evidence was discovered concerning the following facts and circumstances relating to the allegations set forth in Paragraph II above:

a. War Department records for the period under consideration do not disclose any incident or circumstance of a nature associated with the allegations in question, except as follows:

(1) Certain irregularities reported in the investigation of October and November, 1921, which irregularities were remedied.

(2) A public letter issued by the Army Athletic Association dated January 31, 1924, to the members of the Army Athletic Association, in which reference was made to recent articles appearing in the daily press which carried "unwarranted insinuations that the Military Academy authorities have been guilty of systematic efforts to induce, by illegitimate and unethical means, athletes, particularly football players of other colleges, to desert these colleges and come to West Point for athletic purposes." The executive officer, Army Athletic Association, and the graduate manager of athletics stated, in behalf of the association, that, while "no denial is made that athletic types are desired for the Army, as the late war demonstrated the superiority of such types," nevertheless, "the authorities of the academy wish to make the most sweeping denial that there is the slightest basis for the report that they have or would countenance any unsportsmanlike methods to obtain such types." After alleging that the press articles emanated from Annapolis, the letter stated that there was no intention, on the part of the Army Athletic Association, "to brand these charges as false or to stop the lies they contain," but simply to assure the friends of the Military Academy and of the Army that the authorities were zealously guarding the Military Academy's fair name. The letter also stated that:

"It may be of interest to note here that the authorities of the Military Academy have no control whatever over the appointments made to the academy; these appointments are vested in and controlled by the President, Senators, and Congressmen. Any charges, such as contained in these attacks, must of necessity, therefore, at least by inference, include some of these gentlemen."

After reviewing this letter the Secretary of War, on March 1, 1924, expressed his disapproval of discussing the subject matter contained in this letter in the manner followed therein. Moreover, he directed at this time, before any similar action was taken in the future by the authorities at the Military Academy, that the War Department's approval must be received.

b. (1) Over 4,000 vouchers pertaining to the financial accounts of the treasurer, Army Athletic Association, on which disbursements had been made, were examined, as follows:

All vouchers for the period April 1, 1929, to May 26, 1930.
All vouchers for the months of May and November, 1928.
All vouchers for the months of May and November, 1927.
All vouchers for the months of May and November, 1926.
All vouchers for the months of June and December, 1925.
All vouchers for the months of June and December, 1924.
All vouchers for the months of April and October, 1923.
All vouchers for the months of May and November, 1922.

(2) These vouchers were carefully examined for evidence of any irregular or improper payments, and particularly for evidence of grafting or stealing of funds, payments to scouts or players, and subsidizing of athletes. Approximately 170 of the vouchers examined were selected for investigation to determine the propriety or irregularity of the payments covered thereby. These latter vouchers included all examined which did not in themselves appear to be sufficiently detailed, all which covered payments the propriety of which might in any way be questioned, and vouchers which could be considered as representative of various classes of payments, such as: For expenses, including railroad fares, of football squads playing games away from West Point; expenditures for theatrical entertainment; guarantees to visiting athletic teams; expense accounts of individuals and groups making trips in connection with athletics; hotel bills; purchases of and repairs to property; and taxicab service. There were also included a number of vouchers which indicated that the athletic association was entitled to refunds as, for example, from railroads where group transportation had been furnished on contracts based on estimates. In all such cases verification was made that refunds were secured.

(3) This representative examination of vouchers disclosed no evidence whatsoever of any payments of extra compensation to players engaging in football or any other sports at the Military Academy. There was no indication of any stealing or grafting or of payments to persons traveling as scouts for the purpose of picking players or establishing liaison with Congressmen. Payments relating to scouts were confined to the legitimate expenses of persons designated to scout athletic games, and their expenses were paid on vouchers submitted for the particular game witnessed. All payments were found to be supported by vouchers and were entered in the cashbook.

(4) In connection with this examination there were found a few minor irregularities, but none connected with the allegations which form the basis of this investigation. These will be made the subject of a separate communication with a view to their correction.

(5) The testimony indicates that the official correspondence of the Military Academy and of the office of the graduate manager of athletics contains nothing that could in any way support any of the allegations which are the subject of this investigation. When written inquiries concerning appointments to the Military Academy are received at the headquarters of the academy the applicants are furnished with the information pamphlet published by the War Department for general distribution, which completely covers all matters concerning appointments and admissions to the academy, and care is exercised that no improper information whatsoever is furnished. The football office itself (which is presided over by the head coach) and individuals associated with it receive letters of inquiry from persons interested in securing appointments as cadets, and from persons interested in securing appointments for others. These requests, as is natural, usually are in relation to prospective candidates of athletic ability. Correspondence of this nature received by the athletic office is usually turned over to the football office. This latter office has also at times received the names of and information regarding athletes as prospective applicants for appointments from individuals interested in the academy. All such correspondence now in the files of the football office having to do with inquiries concerning appointments and admissions was examined. This file is a temporary file and is incomplete, inasmuch as correspondence relating to any individual is usually not kept after he becomes a cadet or becomes ineligible by reason of age or for other cause.

The testimony and this correspondence show that the football office has been considerably interested in applicants of athletic ability, and that it maintained a list of applicants who had made inquiry as to appointments, together with the State and congressional district in which they resided. Usually the applicant was informed of such vacancies as existed for which he might be eligible. If no vacancies existed at the time of inquiry, the football office would so notify the applicant, and would later notify him when vacancies did occur and urge him to seek an appointment, giving him the names of Congressmen controlling the vacancies and, at times, the names of others who might be influential in assisting toward the appointment. At times some of those connected with the football office corresponded with officers and others asking them to do what they could assist the applicants in which the football office was interested. In some cases applicants who did not appear to have the necessary educational qualifications were advised to enter preparatory schools for the purpose of preparing themselves for West Point, and in some cases friends of applicants were advised that a particular school would give a reduced rate in case the applicant was not financially able to enter the school at standard rates. Captain Jones, formerly head coach of football, testified that the proprietor of this school was an ardent friend of the academy who was particularly interested in candidates from the Regular Army and the National Guard, and that the proprietor had told him that he would give reduced rates to any worthy candidate recommended by Captain Jones. There is no indication whatever in any of this correspondence that any promises or inducements were offered, or that any payments were ever made, or intended to be made, to any of these applicants. This activity on the part of the football office, as stated above, manifested a considerable interest on its part in candidates of athletic ability, which is perhaps natural, and closely approximated a more or less organized system for keeping track of such candidates and giving them any information and advice that might be helpful, including advice of vacancies which might occur due to resignations and failures in examinations.

No advice or assistance in any of these cases was given which would not have been proper had it come from unofficial sources outside the Military Academy. But considering the source from which it did come and the files and records kept in connection therewith, these activities did constitute to a limited extent a form of recruiting, as that term is defined in this report. There are attached as Exhibit B copies of correspondence taken at random from the files of the football office which it is believed is representative of the type of correspondence discussed above.

(6) While some of the testimony, based principally on hearsay and rumor, connected the name of Mr. Frank A. Wandle, formerly assistant for training at the academy, with being unduly interested and active in securing the appointment of likely athletes as cadets, the competent evidence indicates that his interest and activity in this regard were substantially the same as those enumerated above on the part of the football office, with which he was connected.

c. Beginning in 1926, the Carnegie Foundation for the Advancement of Teaching undertook a study of American college athletics, and in 1929 published the results thereof in its Bulletin No. 23 (copy attached). The study, carried out by Dr. Howard T. Savage, was exhaustive and included such topics as those embodied in the allegations in question. Doctor Savage spent several days studying the athletic situation, etc., at the United States Military Academy, where he had full access to its personnel and records as well as to those of the Army Athletic Association. An examination of Doctor Savage's report convinces one of its merit, value, and comprehensiveness. In connection with the allegations under consideration the following quotations from this report are pertinent:

"It is far from our intention to imply that no American college or university possesses a well-reasoned athletic policy in the molding of which all the needs and responsibilities of the institution have been considered. The * * * United States Military Academy * * * may be taken as examples in which the administration of athletics has been bent to serve first the interests of the undergraduate and the educational program as a whole" (p. 80).

"As might be expected, the records of the United States Military Academy respecting participation (of athletes) are exceptionally complete" (p. 112).

"Few colleges or universities can give to their students the experience of games which the United States Military Academy requires of its fourth-class men" (pp. 132–133).

"The restriction of intercollegiate play to three years of undergraduate connection with an institution is almost unanimous. To some of these requirements the United States Military Academy at West Point has felt that because of its peculiar constitution and position it could not subscribe. Finally, late registration by athletes is discouraged" (pp. 202–203).

"The recruiting of athletes" (p. 227).

(NOTE.—Under this heading the report discusses the subject from every conceivable angle, such as professional and nonprofessional recruiting, recruiting by correspondence, circulars, etc., recruiting by coaches, alumni, fraternities, etc. The conclusions as to the United States Military Academy in this respect can only be assumed through deduction, as the report does not include the academy by name in the list mentioned in the discussion under "lack of evidence of recruiting," or under other associated subjects where the evidence examined proved or disproved an institution's connection with recruiting. It therefore appears that Doctor Savage believes that there has been recruiting for the Military Academy, but to such a limited extent that its name should not be coupled with those colleges or universities specifically named.)

UNSUBSIDIZED COLLEGE ATHLETICS

"The notion that intercollegiate competition is impossible, or at least impracticable, without subsidies is disproved by the fact that at 28 of the 112 colleges and universities visited for the inquiry no evidence was found that athletes were subsidized by any group or individual:

Bates, Bowdoin, Carleton, Chicago, Cornell University, Dalhousie, Emory, Illinois, Laval, McGill, Marquette, Massachusetts Agricultural College, Massachusetts Institute of Technology, Ottawa, Queen's, Reed, Rochester, University of Saskatchewan, Toronto, Trinity, Tufts, Tulane, United States Military Academy, University of Virginia, Wesleyan, Williams, College of Wooster, and Yale.

"In this list stand colleges and universities of all sizes, sections of the continent, conferences, and unions. At some, the temptations to subsidize are less strong than at others. At some, there has been subsidizing in the past. Of any one it is impossible to say that there will not be subsidizing in the future. Possibly, also, at the time of the field visit subsidizing existed without being discovered, but in our inquiry an apparent absence of subsidizing inevitably occasioned the closest scrutiny. Whatever may be the rights and wrongs of athletic subsidies, the conditions encountered at this group of institutions, especially at those enjoying keen intercollegiate competition, should encourage anyone who feels that subsidies ought to be eliminated from American college athletics."

COMMENT

The testimony given during my investigation is convincing that Doctor Savage was given full opportunity at the Military Academy to make a thorough study of its conduct of athletics. His deductions are indeed favorable to the academy. While the report contains no evidence or deduction to substantiate any of the allegations in question, it does refute those allegations relating to inducements, promises, or understandings as to termination of service and extra compensation to players by classing specifically the Military Academy in the small group of colleges or universities not involved in subsidizing athletics.

d. (1) The numerous witnesses enumerated in Paragraph III b (4) above were subjected to a careful, searching, and exhaustive examination under oath. Included in this list are most superintendents, commandants, prominent professors, staff officers, graduate managers, coaches, trainers, and other athletic officials of the academy covering the period from 1921 to date. The testimony given by these officials is important, being characterized by a helpful attitude and a sincere desire to uncover possible irregularities as well as to expose any individual responsible for deficiencies. They were "open and aboveboard," and did all within their power and knowledge to assist in this investigation.

(2) The testimony of these witnesses does not disclose a fact or even an indication which could form a basis for substantiating the allegations contained in Paragraph II of this report. In fact, this testimony emphatically refutes each and all of these allegations. The witnesses

in this group comprised the officials closely associated with the affairs of the academy and its athletics since 1921. Their official relationship to the academy and their own statements give assurance of an intimate knowledge of its operation and management. The majority assert, and this investigation corroborates their view, that the offenses contained in the allegations could not have been committed without knowledge thereof coming to their attention. Each witness having intimate knowledge of the management of the athletic association denied categorically knowing or having heard of such offenses as are included in the allegations in question.

(3) The testimony of the witnesses enumerated in Paragraph III b (4) did not disclose any evidence to prove the existence of any system, organized or individual, for subsidizing likely athletes for the academy. In fact, the evidence from these witnesses of recruiting and of soliciting, except as noted above, is limited to the individual efforts of interested Army officers, Congressmen, and friends of the academy. In this respect, the evidence of these witnesses indicates that the few officials of the academy associated with recruiting and soliciting have restricted their efforts to supplying athletic candidates seeking information with the routine data concerning appointments and with additional information as to existing vacancies.

(4) The evidence discloses that a special publicity campaign was undertaken by the academy officials during 1928 and 1929. The purpose of the campaign was to counteract any public misunderstanding of the circumstances associated with the severance of football relations with the Naval Academy. The main features of the campaign involved engaging a firm to insure publicity for all academy activities and, in a less degree, establishing contacts with athletic officials and sports writers, their entertainment and the traveling expenses incident thereto. The evidence indicates that this arrangement had no direct or indirect association with soliciting, recruiting, or subsidizing athletes, or direct connection with the allegations in question.

(5) The case of ex-Cadet Christian K. Cagle was especially investigated. The evidence clearly proves that Cagle's resignation from the academy had no connection in any sense with any subsidy or promise or understanding relative to his premature separation from the service; furthermore, that the officials of the academy had no knowledge of Cagle's marriage until just before his resignation. Attached hereto is a letter from the director of athletics, Southwestern Louisiana Institute, dated May 27, 1930, discussing ex-Cadet Cagle's appointment to the academy. The following quotations from this letter are pertinent:

"Having had this boy (Cagle) for four years and knowing what a fine young man he was, I suggested the possibility of him going to West Point not only for a continuation in athletics, but with the view of taking this as his life's work. * * * He liked the idea, and I wrote to the chairman of the athletic committee at West Point asking if there was such a thing as an athletic scholarship, and received this reply: 'No cadet can enter West Point other than by presidential, senatorial, or congressional appointment.' I do not remember who was the chairman of the committee at that time, but he was very nice about the matter and gave me a list of existing vacancies in Louisiana, but was emphatic on the point of the athletic scholarships, stating that no inducements were ever offered and that West Point had no control over the selection of a cadet. * * * No offer of any kind was ever made to Cagle by West Point or anyone connected with the institution before his appointment or prior to his entrance there. The appointment was secured in the regular way from his Congressman of this district, and so far as I know he was treated just as all other cadets are treated after his entrance there."

(6) Upon entry into the Military Academy, a cadet, in the presence of his classmates and other cadets, takes the following "oath of engagement":

"I, _____ _____, of the State (or Territory) of _____, aged __ years _____ months, do hereby engage (with the consent of my parent or guardian) that from the date of my admission as a cadet of the United States Military Academy I will serve in the Army of the United States for eight years unless sooner discharged by competent authority."

While the evidence refutes the allegation intimating existence of an understanding or promise as to leaving the service after completion of football at the academy, the sanctity of such an oath taken in the presence of fellow cadets must remove all doubts in this connection.

(7) Academic policies at West Point prohibit an athlete who is deficient in studies playing with the academy teams. Proficiency in studies is announced each week. Consequently, outstanding athletes could not be subsidized in this way. The evidence discloses that football training, etc., does not interfere with instruction at the academy; in fact, is subordinated thereto.

(8) The evidence of these witnesses and examination of the records and accounts disclose that the funds of the athletic association are safeguarded by sound policies, accurate accounts and audits, and, further, that no funds have been expended irregularly or to compensate in any way athletes or to secure the services of likely athletes.

(9) Included in this report is a list, prepared by the Superintendent United States Military Academy, of all cadets who, as football men at the academy since 1923, participated in intercollegiate football at the academy. The list also shows (1) age at admission, (2) State appointed from, (3) years played on civilian college first team, (4) college attended and attendance, (5) present status. The following pertinent deductions result from an analysis of this information:

a. Total on list, 163.

b. Per cent who played on college teams before becoming a cadet and number of years so played: One year, 10 per cent; two years, 5 per cent; three years, 6 per cent.

c. Per cent of total who have resigned since graduation, 4 per cent.

It will be observed that these deductions, which were corroborated by oral testimony of witnesses, refute the allegations, to wit:

a. Fifty per cent of the West Point teams during the last seven years were college men who had already played three years on college teams; that is, "first teams or varsity teams."

b. Sixty per cent of the Army teams are composed of famous football players from other colleges, many of whom resign immediately after they get through the academy.

(10) The question of athletes of the academy utilizing their training, success, and prestige in this line as a stepping-stone to athletic professionalism was investigated. The testimony in this investigation, as well as an examination of the records of such graduates, disproves any tendency in this direction or that the academy is a training school for football stars. While a few athletes have resigned after graduation, the number taking up coaching as a profession is insignificant. The following data relative to outstanding academy football players, including those who have resigned in late years, is pertinent:

Name	Graduated	Resigned	Total service after graduation	Occupation after resigning
Garbich, E. W.	June 12, 1925	Dec. 15, 1925	6 months	Service with Post Products Co.
Sprague, M. E.	June 13, 1929	July 1, 1929	18 days	Service with Home Insurance Co., New York City.
Vidal, E. L.	Nov. 1, 1918	Mar. 10, 1926	7 years 4 months	Military school in Florida; T. A. T. Airline Co.
French, W. E	Found deficient	Discharged as cadet Sept. 14, 1922		Professional baseball player.
Oliphant, E. Q.	June 12, 1918	Honorably discharged Dec. 15, 1922	4 years 6 months	Director of athletics, Union College, to 1924; insurance business.
McEwan, J. J.	Apr. 20, 1917	Dec. 22, 1925	8 years 8 months	Coach of Oregon University.
Hewitt, O. M.	June 14, 1927	Still in service		
Wilson, H. E.	June 9, 1928	do		
Mulligan, D. J.	June 12, 1924	Feb. 18, 1926	1 year 8 months	Merchant marine; student Fordham Law College.
Breidster	June 12, 1923	Apr. 1, 1925	1 year 10 months	American Cable Co.
Baxter, H. R.	June 12, 1926	Still in service		
Cagle, C. K.	Resigned as a cadet			Newspaper business.

NOTE.—It will be observed that only two of the outstanding football players included in this list were allowed to resign immediately after graduation, and that neither of these two went into football as an occupation thereafter.

(11) Athletics at the academy are not conducted on a commercial basis, i. e., "Commercialism in sport is the placing of a higher value upon monetary and material returns, whether direct or indirect, from any athletic activity than is placed upon its returns in recreation, health, and physical and moral well-being" (Carnegie Report, p. 11). The only transactions that could be characterized in any way with a tinge of commercialism relate to playing some prominent football games at New York and other large centers, and the construction at the academy of a football stadium and polo field from gate receipts. These fields were badly needed, and this method of financing these structures was authorized by Congress.

(12) "The definition of an amateur most widely current in the United States is as follows:

"An amateur sportsman is one who engages in sport solely for the pleasure and physical, mental, or social benefits he derives therefrom, and to whom sport is nothing more than an avocation." (Carnegie Report, p. 35.)

The evidence received in this investigation establishes facts that prove beyond doubt the amateurism of athletes at the Military Academy.

e. The testimony of the 154 cadets now at the academy who have been members of the various football squads or associated therewith was taken. This testimony establishes without question that no cadet

in this group has ever received any extra compensation whatever in money or its equivalent as an athlete at the academy. None of these cadets had any knowledge of any improper or irregular use of funds pertaining to the Army Athletic Association. None had been offered any inducements in connection with their appointments to the academy, and none had been given to understand at any time by anyone that they would be allowed to leave West Point or the Army when they had finished their football association at the academy. A very small number of these 154 cadets testify that they had been in correspondence with the football office prior to their appointments as cadets, and that as a result thereof they received information and advice from the football office and, in one or two cases, minor assistance of the nature described in paragraph IV b (5) of this report.

CONCLUSIONS

1. The scope of inquiry in this investigation, although limited to persons and records under jurisdiction of the Army, has been sufficiently comprehensive for the years under consideration (since 1921) to establish, beyond doubt, the truth or falsity of all or any of the allegations in question. Notwithstanding the fact that the allegations in question are vague and indefinite as to specific incidents, circumstances, persons, and accusers, the foregoing conclusion is substantiated by the quantity and character of testimony given under oath. The field of investigation has comprised all conceivable sources of information within the jurisdiction of the Army.

2. The evidence is conclusive that athletics at the United States Military Academy have been conducted in the best interest of the basic purpose of the academy and in accordance with the recognized high standards of this institution.

3. Careful and exhaustive examination of the records and accounts of the Army Athletic Association, as well as the testimony of reliable witnesses, positively refutes the allegation of grafting or stealing of the funds of the association by its members or by anyone else.

4. The evidence discloses that soliciting athletes for the academy (as defined on page 5 of this report) has been practiced with and without the knowledge of the athletic authorities of the academy. However, the evidence establishes that this soliciting involved no action on the part of any person which could be associated, in any way, with the allegations under investigation. In fact, I am of the opinion that there has been nothing irregular or unethical in this method of interesting athletes to come to the academy.

5. The evidence discloses some cases of recruiting (without financial disbursements) athletes for the academy (as defined on p. 5 of this report). The assistance associated with this recruiting involved:

a. Advice as to prospective vacancies;

b. Interesting friends from or through whom appointments could be secured;

c. Securing special scholarships at West Point preparatory schools; and

d. Following up likely athletes.

While this recruiting involved no action on the part of any person which could be associated in any way with the allegations under investigation, I am of the opinion that such methods do not accord with the recognized high ethical standards of the academy.

6. The evidence establishes positively that there has been no subsidizing of athletes at the Military Academy (as defined on p. 5 of this report). The evidence corroborates the conclusions of the Carnegie Foundation report on American College Athletics, pages 241–242, which places the United States Military Academy with 27 other colleges or universities, out of 112 institutions visited, in a group where "no evidence was found that athletes were subsidized by any group or individual." I am of the opinion that all allegations of this nature are without foundation of fact and are false.

7. The evidence establishes that no athlete was induced to come to the academy with an understanding that, after finishing his football association at the academy, he would be allowed to leave the service. While no evidence was found which gave any tinge or truth to this allegation, the "oath of engagement" required of all cadets must remove any doubts in the premises. By this oath the cadet agrees to eight years' service unless allowed to resign by competent authority, i. e., the War Department.

8. The evidence establishes conclusively that no athlete at the academy received extra compensation for playing.

9. The evidence establishes that of all cadets who played intercollegiate football at the academy since 1923, i. e., 163, only 10 had previously played on first teams of other colleges or universities for three years. This is only 6 per cent and not 50 per cent as alleged.

10. The evidence establishes that, in so far as the United States Military Academy is concerned, there was nothing irregular or unethical, or anything associated in any way with the allegations in question, connected with the service and resignation of ex-Cadet Christian K. Cagle.

11. The evidence establishes that funds of the athletic association are safeguarded by sound policies, accurate accounts and audits, and that there were no expenditures or transactions of these funds which related in any way to the allegations in question.

12. The evidence establishes beyond doubt that there is no professionalism or commercialism associated with athletics at the academy. In football the athletic managers and coaches are officers of the Army; they receive no extra compensation and are not subsidized.

13. In consequence of the conclusions reached in this investigation, all of the allegations which formed the basis for this investigation are found to be without foundation of fact and false. On the contrary, the deductions resulting from this searching investigation are convincing that the conduct of athletics at the United States Military Academy approaches, in practically all essentials except as to recruiting, the definition of amateurism which the Carnegie Foundation report sets forth as "most widely current in the United States."

"An amateur sportsman is one who engages in sport solely for the pleasure and physical, mental, or social benefits he derives therefrom, and to whom sport is nothing more than an avocation."

RECOMMENDATION

That a copy of this report be furnished the Superintendent of the United States Military Academy with a view to the elimination of the objectionable features mentioned in paragraph 5 of conclusions of this report.

H. A. DRUM, *Major General,*
The Inspector General.

I am informed by the War Department that recommendation above has been approved and ordered complied with.

The Superintendent of the Military Academy reports the following statistics on cadets who have actually participated in intercollegiate football games at the Military Academy since 1923:

Total cadet players, 163.

Total cadet players having attended college, 80, or 48 per cent.

Total cadet players having had previous collegiate varsity football experience, 35, or 21 per cent.

Total cadet players having had no previous collegiate varsity football experience, 128, or 78 per cent.

Cadet players having had 1 year of previous collegiate varsity football experience, 17, or 10 per cent.

Cadet players having had 2 years of previous collegiate varsity football experience, 8, or 5 per cent.

Cadet players having had 3 years of previous collegiate varsity football experience, 10, or 6 per cent.

These figures disprove the allegation that "50 per cent of all members on the Army football teams have been former college stars." Rarely does an athlete become a college "football star" under 2 years, and only 11 per cent of the 163 players in 7 years had that much varsity experience before entering the Military Academy—and not every man who has had even this experience is a "star."

Quoting again from the RECORD of May 16:

West Point is to-day, and for some time past has been, the most efficient military academy in the world. We want to maintain it as such, but this is not the first instance where a famous Army football captain, who has been playing varsity football for six or seven years, has resigned immediately after getting his training at West Point at the expense of the American taxpayers. There have been a number of football captains who have resigned. Garbisch resigned; Sprague, last year's captain, resigned; McCuen resigned. All football captains in recent years. In addition, such famous football stars as Oliphant, Vidal, and French resigned from the military service after graduating from West Point. The Military Academy must not get the reputation that it is a training school for football stars.

This gives a false impression.

Of the 163 cadets who have participated in intercollegiate football games at West Point since 1923, only 7, or 4.3 per cent, have resigned after graduation. (Cagle resigned before graduation and would make 8.)

Of the football captains since 1923, two have resigned after graduation—Garbisch in 1925 and Sprague in 1929—both, according to their own statements, because their help was needed at home.

Of the last nine football captains, the following is their status:

Team, 1929, Cagle, captain, not permitted to graduate as a disciplinary measure.
Team, 1928, Sprague, captain, resigned, 1929.
Team, 1927, Wilson, captain.
Team, 1926, Hewitt, captain.
Team, 1925, Baxter, captain.
Team, 1924, Garbisch, captain, resigned, 1925.
Team, 1923, Mulligan, captain, resigned, 1926.
Team, 1922, Breidster, captain, resigned, 1925.
Team, 1921, Wilhide, captain, resigned, 1924.
Six resigned, three still in service.

REASONS

Sprague: Parents hurt seriously in auto accident, December 21, 1928. Sprague borrowed money for their care. It totaled

over $3,700. Seeing no chance of paying off debt and having a lucrative position offered to him, he resigned.

Garbisch: His father a virtual invalid. His mother and sisters needed his support. A lucrative position gave him the opportunity to provide for his mother and sisters, so he resigned.

Mulligan:

The only remaining member of my family, a sister now in delicate health, urges my return to civil life.

A substantial offer in New York has been made possible through a friend.

Breidster:

I find it necessary to better my financial and economic position by engaging in civilian business pursuits.

Wilhide:

Parents getting old, and should anything happen to them, they would need my assistance.

I am married and my wife does not like the Army, and consequently civil life would be conducive to a more harmonious home.

I now have an excellent opportunity offered me in civil life.

In the classes 1925 to 1929, both inclusive, 46 graduates resigned within one year of graduation. Two of these were football players, 44 were not. Most of these resigned for economic reasons.

As to McEwan, Oliphant, Vidal, and French, McEwan served over nine years, Oliphant was honorably discharged after four and a half years' service under provisions of an act of Congress dated September 14, 1922, along with 149 who were not athletes; French, probably the greatest star ever at West Point, was found deficient in his studies at the end of his second year. If the gentleman's charges were true, he would have been kept for two years more; Vidal resigned after serving over seven years. McEwan, Oliphant, and Vidal served in the World War.

The resignation of cadets shortly after graduation is not a new thing. By the law of averages some of them will be athletes. This truth was proven four years after football was started at West Point.

In the 39 classes, 1891 to 1929, both inclusive, 328 football men won their "A." Of the 328, 43 resigned after an average of over five years' service after graduation. The vast majority of these had war service in Cuba, Philippines, and in the World War. What of the 87 per cent who did not resign? Of the four "A" men in the class of 1891, two are colonels of Infantry, one died last year and one is a retired major.

A former Member of this House was the first football player of West Point to resign. He did so within four months after graduation. He was Butler Ames, wearer of the Army "A," graduate of the class of 1894, and Member of the Fifty-eighth to Sixty-second Congresses from Massachusetts.

The facts and figures already given show the falsity of another quotation from the RECORD, namely, that "60 per cent of the Army teams are composed of famous football players from other colleges." The superintendent of the academy reports that only 21 per cent of all cadets participating on varsity teams in seven years had any previous varsity football experience. All of these were not famous. Not more than 6 per cent had three years' college experience. The highest per cent of college players on any Army team since 1922 was 36 per cent, while the lowest was 18 per cent, with an average of about 28 per cent, while the proportion of all cadets who have at least one year in college is approximately 50 per cent.

The statements in the RECORD also raise the point of the age of cadet football players. The average age of the Army teams for the last five years has been: 1925, 21.5 years; 1926, 21.8 years; 1927, 22.1 years; 1928, 22.2 years; 1929, 22.1 years; an average of 21.9 years for the 5-year period.

I have carefully read the report of the Carnegie Foundation. I have collected facts on my own account. I have studied the Inspector General's report. His final conclusion is that the conduct of athletics at the Military Academy in practically all essentials conforms to the definition of amateurism which the Carnegie Foundation report sets forth as "most widely current in the United States."

An amateur sportsman is one who engages in sport solely for the pleasure and physical, mental, or social benefits he derives therefrom, and to whom sport is nothing more than an avocation.

Such unfortunate statements as those made on the floor of Congress call for explanations of the lack of information and possibly the source of any passionate hostility to West Point on the part of our distinguished colleague, who should be its sponsor and interpreter to the Nation.

If the gentleman is conscious of any patriotic interest in the Military Academy, he will, of course, retract the inaccurate statements that he has made, for otherwise he could well be regarded as an enemy of this great school of our national defense, and many will wonder what animus, what motives, have actuated him.

Mr. AYRES. Mr. Chairman, I yield five minutes to the gentleman from Arkansas [Mr. GLOVER].

Mr. GLOVER. Mr. Chairman, ladies, and gentlemen, I had not thought of talking this afternoon until the distinguished gentleman from Oklahoma [Mr. MCKEOWN] made his most excellent address here. He spoke of a bill that I had introduced, and also one that he had introduced in the early part of the session for the purpose of giving relief to the Federal courts. The bill I introduced absolutely preserved the right of trial by jury.

There is not a man who believes more in the principle enunciated in the Constitution that gives every citizen of the United States a trial by jury than I. I have for four years in my experience in the law been a representative of my State as prosecuting attorney and the balance of the time representing the other side. In my experience I believe I know the justice of the right of trial by jury. I would not come to this Congress and violate that great principle for any considerations that I might mention. It is so sacred.

The bill I introduced for the relief of the Federal courts was this: You remember the Constitution of the United States gives original exclusive jurisdiction to the Supreme Court of the United States on certain questions. It also provides that Congress may create inferior courts with limited jurisdiction.

We had in our State a congestion that needed relief. We only have two Federal judges.

And speaking of Federal judges, some reference has been made to them, and I think I ought to say that the Federal judges we have—and we have two—are, I think, as fair and just judges as ever sat on a bench. One of them was appointed by the present President of the United States, a Democrat from my State, and the other, Judge Yeamans, from my State, and I have practiced in his court for many years, and if there is a just and able jurist anywhere he is one.

I am glad that no abuse or criticism has come to our State from the Federal judges.

The bill I introduced gives limited jurisdiction to the commissioners who now hear testimony and who can only bind over to await the action of a grand jury that may come several months after to be dealt with.

In our State we have many petty offenses committed by individuals by infractions of the migratory bird law or some little infringement of the Federal statutes where the party, possibly a stranger, has no friends to make a bond, has no money to make a cash bond, and is therefore forced to be taken to jail. In many instances it will be three or four months before he can have a trial.

In my bill that I introduced, I asked that jurisdiction be given to these commissioners that they be permitted in cases where the man wanted to plead guilty to allow him to plead guilty, that they might plead guilty before the commissioner.

The CHAIRMAN. The time of the gentleman from Arkansas has expired.

Mr. WOOD. Mr. Chairman, I yield the gentleman five minutes more.

Mr. GLOVER. Mr. Chairman, my bill went farther than that for the preservation of the rights of the individual, in that it provided that in case of an abuse of discretion given to the commissioner—that is, if he assessed an excessive penalty—the right of appeal was given to the defendant. That preserved the right. In the bill passed here reference was made to that. I think the amendment that was placed on the bill preserved that right, and I would not have supported it if it had not been agreed to. The amendment placed on the bill passed here stated that he must plead unless he elects to waive his right. I think if a man elects to waive his right, he has his rights under the Constitution, but in these other cases, where a man is charged with an offense and he wants to get rid of it, if he has to go to jail and serve it out, if he wants to make his own plea of guilty, I think that ought to be done speedily so that he will be able to get through with his sentence instead of being held in jail for four or five months awaiting the calling of the grand jury and then plead guilty and serve his sentence. Under the provisions of the bill we passed, he could enter that plea and soon have his case disposed of.

I yield back the remainder of my time.

Mr. WOOD. Mr. Chairman, I yield 15 minutes to the gentleman from Iowa [Mr. DOWELL].

FEDERAL-AID ROAD LEGISLATION

Mr. DOWELL. Mr. Chairman, the success of a government like that of a business organization is largely dependent upon the soundness of its investments. From the investment standpoint no distribution of Federal funds creates greater returns

in general economic prosperity to the country and benefits to all the people than expenditures to aid the States in the construction of highways.

The Federal-aid system of roads constitutes 7 per cent of the entire road mileage in the United States. All Federal-aid authorizations and appropriations by the Federal Government are allotted to the several States to be used on this Federal-aid system.

The distribution of Federal aid among the several States in the construction of roads is provided in the legislation adopted by Congress, November 9, 1921, as follows:

One-third in the ratio which the area of each State bears to the total area of all the States; one-third in the ratio which the population of each State bears to the total population of all the States * * *; one-third in the ratio which the mileage of rural delivery routes and star routes in each State bears to the total mileage of rural delivery and star routes in all the States.

Under the law passed by Congress in 1921 authorizations and appropriations have been made by the Government of approximately $1,000,000,000. I submit herewith a table showing the authorizations and actual appropriations of Congress under the Federal-aid system.

Apportionment and appropriations for Federal highway construction by fiscal years, as of March 15, 1929

AUTHORIZED TO BE APPROPRIATED FOR CONSTRUCTION AND ADMINISTRATION

Authorized by Congress	Fiscal years 1917–1921	1922	1923	1924	1925	1926	1927	1928	1929	1930	1931	Total
Act of July 11, 1916 (39 Stat. 355)	$75,000,000											$75,000,000
Act of Feb. 28, 1919 (40 Stat. 1200)	200,000,000											200,000,000
Act of Nov. 9, 1921 (42 Stat. 212)		$75,000,000										75,000,000
Act of June 19, 1922 (42 Stat. 660)			$50,000,000									50,000,000
Act of Feb. 28, 1923 (42 Stat. 1321)				$65,000,000								65,000,000
Act of June 5, 1924 (43 Stat. 460)					$75,000,000							75,000,000
Act of Feb. 12, 1925 (43 Stat. 889)						$75,000,000	$75,000,000					150,000,000
Act of June 22, 1926 (44 Stat. 760)								$75,000,000	$75,000,000			150,000,000
Act of May 26, 1928 (Public 519, 70th Cong., 1st sess.)										$75,000,000	$75,000,000	150,000,000
Total	275,000,000	75,000,000	50,000,000	65,000,000	75,000,000	75,000,000	75,000,000	75,000,000	75,000,000	75,000,000	75,000,000	990,000,000

APPROPRIATIONS

Act of July 11, 1916 (39 Stat. 355)	$75,000,000											$75,000,000
Act of Feb. 28, 1919 (40 Stat. 1200)	200,000,000											200,000,000
Act of Nov. 9, 1921 (42 Stat. 212)		$75,000,000										75,000,000
Act of Jan. 22, 1923 (42 Stat. 1157)			$25,000,000									25,000,000
Act of Feb. 26, 1923 (42 Stat. 1321)				$29,300,000								29,300,000
Act of June 5, 1924 (43 Stat. 460)					$13,000,000							13,000,000
Act of Feb. 10, 1925 (43 Stat. 852)			25,000,000	35,700,000	15,300,000							76,000,000
Act of Mar. 3, 1926 (44 Stat. 171)					22,900,000							22,900,000
Act of May 11, 1926 (44 Stat. 530)					23,800,000	$51,200,000						75,000,000
Act of Jan. 18, 1927 (44 Stat. 1007)						23,800,000	$47,200,000					71,000,000
Act of May 16, 1928 (Public 392, 70th Cong., 1st sess.)							27,800,000	$43,200,000				71,000,000
Act of Feb. 16, 1929 (Public 769, 70th Cong.)								31,800,000	$42,200,000			74,000,000
Total	275,000,000	75,000,000	50,000,000	65,000,000	75,000,000	75,000,000	75,000,000	75,000,000	42,200,000			807,200,000
Balance unappropriated									32,800,000	$75,000,000	$75,000,000	182,800,000

The present session of Congress passed a bill authorizing the expenditure of $300,000,000 to be allotted to the several States in the coming three years, which is in addition to the $75,000,000 previously authorized for 1931, making a total of $375,000,000 for the three fiscal years. I am inserting a table showing the amount which each State has been receiving and the amount each State will receive under the $50,000,000 annual increase in this authorization.

State	$50,000,000	$75,000,000	$125,000,000
Alabama	$1,038,248	$1,557,372	$2,595,620
Arizona	708,127	1,062,190	1,770,317
Arkansas	862,057	1,293,086	2,155,143
California	1,667,447	2,501,170	4,168,617
Colorado	927,016	1,390,524	2,317,540
Connecticut	318,595	477,893	796,488
Delaware	243,750	365,625	609,375
Florida	614,372	921,558	1,535,930
Georgia	1,323,755	1,985,632	3,309,387
Idaho	621,729	932,594	1,554,323
Illinois	2,067,187	3,100,781	5,167,968
Indiana	1,273,003	1,909,505	3,182,508
Iowa	1,337,296	2,005,944	3,343,240
Kansas	1,365,723	2,048,585	3,414,308
Kentucky	943,074	1,414,610	2,357,684
Louisiana	693,463	1,040,195	1,733,658
Maine	450,071	675,106	1,125,177
Maryland	421,274	631,911	1,053,185
Massachusetts	726,681	1,090,022	1,816,703
Michigan	1,466,785	2,200,177	3,666,962
Minnesota	1,401,991	2,102,986	3,504,977
Mississippi	882,598	1,323,897	2,206,495
Missouri	1,588,255	2,382,383	3,970,638
Montana	1,035,243	1,552,865	2,588,108
Nebraska	1,057,684	1,586,526	2,644,210
Nevada	640,563	960,845	1,601,408
New Hampshire	243,750	365,625	609,375
New Jersey	624,156	936,234	1,560,390
New Mexico	793,531	1,190,296	1,983,827
New York	2,403,977	3,605,965	6,009,942
North Carolina	1,148,449	1,722,673	2,871,122
North Dakota	802,040	1,203,060	2,005,100
Ohio	1,835,685	2,753,528	4,589,213
Oklahoma	$1,167,343	$1,751,015	$2,918,358
Oregon	798,445	1,197,667	1,996,112
Pennsylvania	2,209,805	3,314,707	5,524,512
Rhode Island	243,750	365,625	609,375
South Carolina	710,070	1,065,105	1,775,175
South Dakota	821,975	1,232,962	2,054,937
Tennessee	1,072,535	1,608,802	2,681,337
Texas	3,030,553	4,545,830	7,576,383
Utah	567,168	850,752	1,417,920
Vermont	243,750	365,625	609,375
Virginia	952,835	1,429,253	2,382,088
Washington	770,813	1,156,219	1,927,032
West Virginia	528,551	792,826	1,321,377
Wisconsin	1,232,779	1,849,169	3,081,948
Wyoming	628,303	942,455	1,570,758
Hawaii	243,750	365,625	609,375
Total	48,750,000	73,125,000	121,875,000

The effect this legislation will have on industry, commerce, labor, and agriculture, as well as the education, social welfare, and recreation of the people, can hardly be overestimated.

Dr. Julius Klein, Assistant Secretary of Commerce, in a recent radio address over the National network, said:

The meaning of good roads in the social life and commercial activity of the United States was brought home to us very vividly a few short weeks ago when President Hoover signed the Dowell bill; certainly one of the most notable pieces of legislation in the history of the highway program in this country. The act appropriates $300,000,000 of Federal money to aid the States in the construction of roads during the next three years. Its economic importance would be difficult to exaggerate.

Under the law the Federal Government apportions the funds appropriated for Federal aid to the several States, and these funds are used in the construction of roads recommended by the State highway commission and approved by the Secretary of Agriculture. Federal participation under the law can not

exceed 50 per cent of the cost of the construction of the road, nor can it exceed $15,000 per mile of road, until the 7 per cent has been completed, after which it may receive $25,000 per mile. These roads are constructed under the direction of the State highway commissions, but the law empowers the Secretary of Agriculture to withhold Federal aid on any given project if it does not come up to the proper standard in compliance with the requirements of the department, and if it does not in the same respect comply with the general system or policy of highway construction as provided in the Federal law.

The adoption by Congress of the Federal-aid policy in the construction of roads has given a remarkable impetus to road building throughout the entire country, which has resulted in a network of highways reaching to nearly every section of the United States.

At present there are approximately 3,000,000 miles of established roads in the United States, of which only about 10 per cent are in the State highway systems and approximately 200,000 miles, or 7 per cent, are in the Federal-aid system. Approximately 626,000 miles of road have been improved by various stages of improvement and approximately 100,000 miles have been hard surfaced. While only a small part of the entire system of established roads in the United States have been improved, if these roads were all connected in one unbroken road, it would be possible to go around the world twenty-five times on an improved road or four times on a hard-surfaced road.

While the Federal Government has participated in the construction of roads for only a little more than a decade, it is interesting to note that a little more than seven years ago more than 40 per cent of the rural-mail carriers were using horse-drawn vehicles on their routes, while to-day less than 15 per cent are using horses; and the time involved in the delivery of mail has been reduced more than one-half, and by reason of the improved road construction the Post Office Department is able to consolidate many of the rural routes, greatly reducing expenses in the delivery of the rural mail.

When we take into consideration the fact that to-day there are 43,220 carriers of rural mail covering a total of 1,332,926 miles of rural routes, we can readily understand the great saving to the Government in the delivery of mail and the great benefit to the people by the establishment of the Federal-aid road system.

President Hoover, in his message to Congress at the beginning of the second session of the Seventy-first Congress, in speaking of Federal aid to road construction, said:

> Federal aid in the construction of the highway systems in conjunction with the States has proved to be beneficial and stimulating. We must ultimately give consideration to the increase of our contribution to these systems, particularly with the view to stimulating the improvement of farm-to-market roads.

I am pleased to quote this high authority on the Federal-aid road program, which has accomplished so much in the past years in the development of a splendid highway system throughout the Nation, and which is now so vital to the commerce, industry, and agriculture of our country.

When Congress enacted the Federal-aid legislation in 1921, which was designated the farm-to-market legislation, it was the hope to improve the roads from the farms to the market places throughout the country and thus aid in facilitating the marketing of farm products. Much more has been accomplished along this line at the present time than was anticipated, as is shown by the various hearings before the Committee on Roads. Road improvements have speeded up transportation to market, resulting in great savings in perishable produce and livestock, as well as valuable time. They have lengthened the period when marketing is possible from a few months to the entire year, and they are bringing the producer and consumer closer together, to the great benefit and profit of both.

In 1900 there were but 14,000 automobiles in the United States; in 1910, 10 years later, the number had increased to 500,000; in 1920 this increase had reached 9,000,000; in 1930 this number has more than trebled, with more than 27,000,000 motor vehicles on the streets and highways of the United States. With this vast increase, what may we expect in the next 20 years of automobile development?

The use of the automobiles on the streets and highways of the United States makes the program for the building of good roads a necessity, and in order to care for this great increase of transportation on the highways it is essential that the present program be carried on.

The consolidated-school system, which forms such an important part of our present-day educational system, would be impossible without the improved highways which have come as a result of this program. In 1928 there were in operation in the United States 36,000 school busses, transporting a million children to and from school daily. This is an unimpeachable argument for this Federal-aid program.

Also the importance of the improved highways in the educational and recreational life of our Nation is reflected in the fact that it is estimated $3,500,000,000 was spent during 1929 by automobile tourists for education, recreation, and pleasure throughout the United States.

Fred R. White, chief engineer of the State Highway Department of Iowa, has compiled a statement of the average cost of a mile of paved road in Iowa in which he shows the cost to be $26,184, of which $13,706, or 52 per cent goes to labor. The cost on this basis is distributed as follows: Stone aggregate, $3,441; cement, $5,856; reinforcing steel, $850; freight, $5,520; grading, $2,000; miscellaneous contractor's costs, $8,517; total, $26,184. It is estimated that the percentage which goes to labor is much greater in the lower-grade surface roads.

Mr. SLOAN. Mr. Chairman, will the gentleman yield?

Mr. DOWELL. Yes.

Mr. SLOAN. I am anxious to know whether any of these roads have been finished from the Mississippi to the Missouri.

Mr. DOWELL. They have been finished from the Mississippi to the Missouri, five of them.

During the coming fiscal year, with the added stimulus road building is receiving in all sections of the United States, and with the added stimulus which this legislation will create, and with the demand for more and better improved highways throughout the country to relieve the congestion which now exists, the expenditure may approximate the huge sum of $2,000,000,000. This will mean a distribution not only to industry in all sections of the United States, but a total distribution to labor of more than a billion dollars.

President Hoover in his recent message to Congress, speaking of the economic situation, said:

> I have therefore instituted systematic, voluntary measures of cooperation with the business institutions and with the State and municipal authorities to make certain that fundamental businesses of the country shall continue as usual; that wages and therefore consuming power shall not be reduced; and that a special effort shall be made to expand construction work in order to assist in equalizing other deficits in employment. Due to the enlarged sense of cooperation and responsibility which has grown in the business world during the past few years, the response has been remarkable and satisfactory. We have canvassed the Federal Government and instituted measures of prudent expansion in such work that should be helpful, and upon which the different departments will make some early recommendations to Congress.

The construction of good roads is in line with President Hoover's program of stimulating business.

There never has been so great a demand for the building of roads as at the present time. Every representative of the highway commissions, who appeared before the Committee on Roads in the hearings on the road program, urged the increase of Federal aid if we are to care for the traffic congestion throughout the country.

No legislation has been passed by Congress in recent years more helpful to all of the people of the United States than the road-building program.

If industry and agriculture are to grow and prosper, improved roads must be constructed, and labor will be greatly benefited by their construction.

There is no public work or Government expenditure in which money is so helpfully and equitably distributed among all of the people, and which produces such great returns in the education, prosperity, and welfare of all of the people as good road construction. The present road-building program is an investment by our Government, the benefits of which can not now be estimated. [Applause.]

Mr. AYRES. Mr. Chairman, I wish to state that I do not intend voting against the item of $10,660,000 carried in this bill for the beginning of Boulder Dam. I do, however, want to make some observations concerning this matter which may not be at all favorable to it. I desire at this time to call attention to the Boulder Canyon project act, passed by Congress in 1928, which provides that:

> (b) Before any money is appropriated for the construction of said dam or power plant, or any construction work done or contracted for, the Secretary of the Interior shall make provision for revenues by contract, in accordance with the provisions of this act, adequate in his judgment to insure payment of all expenses of operation and maintenance of said works incurred by the United States and the repayment within 50 years from the date of the completion of said works, of all amounts advanced to the fund under subdivision (b) of section 2 for such works, together with interest thereon made reimbursable under this act.

To my mind that is perfectly plain, that no appropriation should be made for the construction of this dam or power plant, or any construction work be done or contracted for before the Secretary of the Interior has made contracts with responsible parties or institutions which will provide revenues sufficient, in his judgment, to pay all expenses of operation and maintenance of the plant, and without doubt it means that the revenues must also be adequate to provide for repayment within 50 years from the date of completion of the works, of all amounts advanced to the fund with interest thereon.

The question that this committee has to decide before making this appropriation is, Has the Secretary of the Interior made such contracts? He is satisfied that he has. However, several members of this committee are of the opinion that he has not. This question was submitted to the Attorney General for his decision. The Attorney General holds that:

> The "contract for lease of power privilege" between the United States, the city of Los Angeles, its department of water and power, and the Southern California Edison Co. (Ltd.), is, in my opinion, a valid agreement binding upon the city and its department to the extent to which funds are available under the provisions of the charter to the department, and is in full compliance with section 4 (b) of the Boulder Canyon project act, since the revenues which it will provide out of such funds are in the judgment of the Secretary of the Interior adequate to meet the requirements of that section.

The Attorney General states specifically that in his opinion the contract with the city of Los Angeles, its department of water and power, is a valid agreement binding upon the city and its department to the extent to which funds are available under the provisions of the charter to the department.

I am not questioning the validity of the contracts entered into on the part of the Federal Government with the Metropolitan Water District of Southern California or with the Water and Power Department of the City of Los Angeles or with the Southern California Edison Co. I have made no investigation of these contracts and am perfectly willing to accept the opinion of the Attorney General as to their validity. My complaint is that the greatest prospective beneficiary of this whole scheme—namely, the city of Los Angeles—is not a party to these contracts; that is to say, not a legal responsible party. In other words, the citizens of the city of Los Angeles can receive power and water for the next 50 years for their city without being held liable therefor.

The Government of the United States has authorized the expenditure of $165,000,000 to build Boulder Dam that the city of Los Angeles, along with other cities and communities may have power and water; and it is freely predicted that before this immense project is completed the Government will have expended many millions more. It is true that the contracts that have been negotiated provide that a return of $82,675,000 shall be made to the Federal Government within the next 50 years by the parties to these contracts who guarantee the return of this money to the Federal Government, but, with due regard for the financial ability at this time of all of these contracting parties, I should much rather have the city of Los Angeles alone a proper and legal party to this 50-year contract than all of the others combined. Some or all of these other contracting parties may be in existence 50 years from now, and they may not, but the city of Los Angeles by the grace of God in all probability will be.

It is claimed by some that the city of Los Angeles is morally obligated and is responsible. In view of the constitutional provision of the State of California relating to indebtedness that might be incurred in any one year by cities of that State, and the decisions of the Supreme Court of California construing such constitutional provision, I do not understand how the claim can be supported that the city of Los Angeles, either directly or indirectly, can enter into a valid contract without first complying with the State's constitution, which it has not done.

The contract with the Water and Power Department of the City of Los Angeles is signed by the city of Los Angeles, acting by and through its board of water and power commissioners; and under the charter of the city of Los Angeles and the Supreme Court decisions of the State of California, the water and power department, and it alone, is liable upon this contract.

The city of Los Angeles is a municipal corporation, organized and existing under and by virtue of a charter, known as a Freeholder's Charter. Among the general powers of the city under the charter is the creation of a department of water and power, at the head of which is the Board of Water and Power Commissioners of the City of Los Angeles.

Section 220 defines the power and duty of the water and power commissioners as follows:

> The department of water and power shall have the power and duty:
>
> (1) To construct, operate, maintain, extend, manage, and control works and property for the purpose of supplying the city and its inhabitants with water and electric energy, or either, and to acquire and take, by purchase, lease, condemnation, or otherwise, and to hold, in the name of the city, any and all property situated within or without the city, and within or without the State, that may be necessary or convenient for such purpose.
>
> (2) To regulate and control the use, sale, and distribution of water and electric energy owned or controlled by the city; the collection of water and electric rates, and the granting of permits for connections with said water or electric works; and to fix the rates to be charged for such connections; * * *
>
> (7) To control and order, except as otherwise in this charter provided, the expenditure of all money received from the sale or use of water, or from any other source in connection with the operation of said waterworks, and all money received from the sale or use of electric energy, or from any other source in connection with the operation of said electric works: *Provided*, That all such money pertaining to said waterworks shall be deposited in the city treasury to the credit of a fund to be known as the water revenue fund, and all such money pertaining to said electric work shall be deposited in the city treasury to the credit of a fund to be known as the power revenue fund; * * *

The proponents of this appropriation call attention to the ability of the city of Los Angeles to pay. They say that since 1917 it has been conducting a large, financially sound, and growing electric light and power business within its boundaries; that the Los Angeles Department of Water and Power is purchasing from the Southern California Edison Co. approximately 60 per cent of the power it is distributing, and they furnish a table prepared by the Department of Water and Power of the City of Los Angeles, based upon the actual experience of the past 4 years and what are purported to be conservative estimates for the next 11 years, or until and after the Boulder Canyon power shall have become available, showing the financial ability of the water and power department to meet from its normal revenues all obligations arising from the contract with the Government, incuding payment of charges on account of Government installation of machinery, and, in addition thereto, to finance all necessary transmission; and then attention is called to the fact that the city of Los Angeles is a city of 1,400,000 population, and has taxable property amounting to $1,800,000,000, and so forth.

Notwithstanding the wonderful showing made for the city of Los Angeles, the question we have to decide is whether or not this contract with the Water and Power Department of the City of Los Angeles is based upon the assets of the city of Los Angeles or relies solely for restitution to the Government upon the city water and power corporation. The amended agreement between the Federal Government and the city of Los Angeles seeks to bind the city as well as the water and power department by the declaration that—

> The term "city" as used in this contract being deemed to mean both the city of Los Angeles and its department of water and power—

And so forth. I am unable to understand how anyone can take the position that such a declaration can bind the city of Los Angeles without the assent of two-thirds of the qualified voters voting thereon to incur the obligations sought to be imposed upon it by either the original or amended agreement. There is nothing in this amendment that gives to the city of Los Angeles any more authority to enter into this contract than it possessed before the amendment was made.

In my opinion, the city of Los Angeles can be held on this contract only when two-thirds of the qualified electors of the city at an election signify their willingness to vote bonds and do anything necessary to enable the city to become a party to this contract and assume the liabilities and indebtedness incident thereto.

Apparently there is no limit to which the power business of the city of Los Angeles can go in providing power service for the inhabitants of the city. It is shown by the hearings that the power business of the city will have to meet obligations under this contract alone within the next 50 years of about $350,000,000, of which about $47,000,000 will be within the next 10 years.

The Supreme Court of California has held this water and power corporation to be a legal entity which can be sued; and judgment can be obtained against it in case of a breach of contract. It also has been held by the same court that the judgment creditor must look to such corporation, and to it alone, for satisfaction of the judgment, as the city of Los Angeles is out of the picture, so far as liability is concerned.

I want at this time to call attention to the constitutional provision of the State of California to which I have referred:

No * * * city * * * shall incur any indebtedness or liability in any manner or for any purpose exceeding in any year the income and revenue provided for such year, without the assent of two-thirds of the qualified electors thereof, voting at an election to be held for that purpose, nor unless before or at the time of incurring such indebtedness provision shall be made for the collection of an annual tax sufficient to pay the interest on such indebtedness as it falls due, and also provision to constitute a sinking fund for the payment of the principal thereof on or before maturity, which shall not exceed 40 years from the time of contracting the same * * * any indebtedness or liability incurred contrary to this provision * * * shall be void.

The bond act of 1901 of the State of California provides that whenever the legislative branch of a city determines that the public interest requires the carrying out of any project, the cost of which will be too great to be paid out of the ordinary annual income and revenues of the municipality, a special election may be called and the proposition of incurring a debt for the particular purpose submitted to the qualified voters of the city. The act further requires a vote of two-thirds of all the voters voting on such a proposition to authorize the issuance of bonds to finance the project. So the serious question is that in view of the constitutional provision to which I have referred, and the bond act requirement I have just mentioned, can an indebtedness incurred contrary to the express provisions of such State laws be other than void?

I started out with the determination of finding, if possible, if there was not some way by which the city of Los Angeles could make a valid contract as proposed, and while I have been limited for time to make a thorough study of the question, owing to other committee work, nevertheless with this limited study I am compelled to hold that by reason of the constitutional provisions and the bond act each year's income and revenue of the city of Los Angeles must pay each year's indebtedness and that no liability or indebtedness incurred in one year can be paid out of the income and revenues of any future year.

In a recent decision of the Supreme Court of California in the case of Shelton *v.* City of Los Angeles (275 Pac. 421) it was held that:

Notes issued by the board of water and power commissioners to secure loan on occurrence of an emergency, under Los Angeles city charter (Stat. 1925, p. 1098, par. 224), made payable solely out of water revenues of the board, held not void, under constitution, article 11, paragraph 18, as increasing indebtedness of city beyond constitutitonal limit of indebtedness, since prohibition against excessive indebtedness does not extend to board of commissioners exercising functions under city charter, and indebtedness created is not an obligation of the city, in view of Los Angeles city charter, paragraphs 220, 221, and 225.

The plaintiff in this case brought an action against the city of Los Angeles and the Board of Water and Power Commissioners of the City of Los Angeles from proceeding with the threatened issuance of short-term notes of the board in the amount of $250,000 pursuant to the authority claimed by the board under section 224 of the city charter and an ordinance of the city adopted in pursuance of the charter provisions.

Section 224 is as follows:

SEC. 224. The board shall also have power upon determining that an emergency exists which justifies it in so doing to borrow money upon such terms and conditions, and under such procedure, as may be prescribed by ordinance, for the purpose of acquiring, constructing, reconstructing, repairing, extending, or improving works for supplying the city and its inhabitants with water or electric energy, and to issue notes, certificates, or other evidences of indebtedness therefor, subject to the following improvisions; * * *

On June 15, 1928, the defendant board of water power commissioners passed a resolution declaring that an emergency existed by reason of the St. Francis Dam disaster which justified the board in borrowing money under authority of section 224 of the charter and ordinance to the extent of $250,000. The court held that the sole question for decision is:

Do notes or other evidences of indebtedness issued under the authority of section 224 of the charter by the defendant Board of Water and Power Commissioners of the City of Los Angeles, and payable solely out of water revenues of the defendant board, create such an indebtedness as falls within the inhibition of section 18, of article 11, of the State constitution?

The defendants take the position that the provisions of section 18 of article 11 of the constitution have no application to indebtedness of the board of water and power commissioners incurred in the manner contemplated for the reason that the department of water and power is not mentioned nor described in that section of the constitution, and further that the contemplated indebtedness is one payable only out of a special fund, and is not an obligation of the city of Los Angeles.

We think the contention of the defendants must be sustained. * * *

It may be conceded that upon the incurring of the proposed indebtedness, a strong moral obligation, which the city could not well avoid, would rest upon the city council and mayor to approve a schedule of rates theretofore fixed by the board sufficient to discharge the principal and interest as the same might become due. But this obligation of "liability" as the latter term is used in the constitution, is not a financial one, in default of which the city would be required to disburse the general funds of the city or other moneys derived from taxation. The argument that the obligation of the legislative body of the city to safeguard the credit of the city by approving adequate water rates would amount to a "liability" within the constitutional section is not persuasive. * * *.

In the present case the proposed short-term notes are not promises to pay on the part of the city of Los Angeles, but are acknowledgments of indebtedness on the part of the department of water and power. The city of Los Angeles as such is not bound thereby to do anything which may be enforced by action. Hence, we find no liability on the part of the city in the premises.

In view of the constitutional provisions and the bond act of 1901, and the California Supreme Court decisions just cited, I can not understand how anyone can claim that the city of Los Angeles can be a legal and responsible party to this contract without the assent of two-thirds of the qualified electors of the city.

It is claimed by some favoring this appropriation that the water and power corporation of the city of Los Angeles will construct valuable plants and works to enable it to supply the city and its inhabitants with water and electric energy; and, if not actually claimed, it is intimated that these works, which will cost millions of dollars, should be considered as a part of the assets of the water and power company. This position is hardly tenable when considered with section 423 of the charter of the city of Los Angeles, which is as follows:

The title to all property of the city of Los Angeles, now owned or hereafter acquired, including all such property in the name of any officer, board, commission, or department of the city other than the board of education shall be vested and held in the name of the city of Los Angeles, and it shall be the duty of every such officer, board, commission, department, or successor thereof in office, immediately upon the taking effect of this charter, to execute to the city of Los Angeles such conveyances as may be necessary to put the provisions of this section into effect.

In speaking of the water and power company, the Attorney General in his opinion states that:

It is apparent that its resources are limited to its earnings from the sale or use of water and electric energy, etc.

Therefore, it seems that without doubt the resources of the water and power company are limited to its earnings, as before stated. Many things may occur to destroy its earning power.

I repeat that while I am not going to oppose this initial appropriation of $10,660,000 carried in this deficiency bill, I do feel that it would be well to serve notice on the citizens of Los Angeles that it might be well for them to be prepared to be responsible under this contract before another appropriation is sought. I know of no good reason why this appropriation should not be made with the provision that it shall not be available until the city of Los Angeles has a legal right to be a party to the contract.

I know that there is a feeling on the part of many Members of Congress that the Federal Government should not be compelled to rely alone upon the Water and Power Department of the City of Los Angeles for recourse in case of a breach of this contract. Many things might occur within the next 50 years to destroy or even cripple the power corporation of the city of Los Angeles so as to make it impossible for it to meet its obligations under this contract and thus leave the Government helpless to recover, for, in the light of the authorities I have cited, I am convinced that the taxing power of the city of Los Angeles could not be used to collect a judgment against the water and power corporation.

Therefore, it seems to me that under existing conditions it is immaterial so far as the Government is concerned that the city of Los Angeles may be a city of 1,400,000 population and have taxable property amounting to $1,800,000,000, if none of the fourteen hundred thousand people can be taxed and none of the eighteen hundred million dollars of assets can be subjected to the payment of a judgment against the city's water and power commission for breach of contract.

Assuming, for the sake of argument, that at this time it appears that the water and power corporation of the city of Los Angeles has potential resources sufficient to enable it to meet the obligations imposed under this contract; we must consider that this contract runs for a period of 50 years. There is no

assurance that the water and power corporation will survive a corresponding period of time. On the other hand, we have every right to assume that the city of Los Angeles, expanded both in population and wealth, will outlive the contract. So, therefore, I ask, weighing all the facts, would it not be well for those of us acting for and on behalf of the Government of the United States to insist upon the city of Los Angeles being made responsible under this contract before the Government should be called upon further to finance the Boulder Dam project? [Applause.]

Mr. DOUGLAS of Arizona. Mr. Chairman, will the gentleman yield for a question?

Mr. AYRES. Yes.

Mr. DOUGLAS of Arizona. Does the gentleman think, from the examination on the hearings had before the Committee on Appropritions, that the Department of Water and Power of the City of Los Angeles is financially capable of meeting the obligations sought to be imposed by the contract to which the gentleman refers?

Mr. AYRES. I will say that I have serious doubts about it, taking the contract as a whole, for the 50 years. No one can tell what the financial conditions of the water and power corporation might be within the 20 or 50 years.

Mr. DOUGLAS of Arizona. Does the gentleman further think that if the department of water and power fails under section 369 of the charter of the city of Los Angeles to appropriate it will be financially responsible?

Mr. AYRES. I will say to the gentleman from Arizona that I have not gone into the matter very fully, and I would not care to say definitely; but that charter speaks for itself and is susceptible of only one construction, as it clearly provides that no department, bureau, division, or office of the city government shall make expenditures or incur liabilities in excess of the amount appropriated therefor.

Mr. DOUGLAS of Arizona. The only resources of the Department of Power and Water of the City of Los Angeles are its cash and its earnings?

Mr. AYRES. There is no question of doubt in my mind about that.

Mr. DOUGLAS of Arizona. The gentleman knows that it owns no property?

Mr. AYRES. It does not. When I say that, I mean that it does not under the city charter, the provisions of which I read a few moments ago, which provides that any property held by any commission must be conveyed to the city of Los Angeles.

Mr. DOUGLAS of Arizona. Then if it defaults under the contract what recourse has the Government of the United States?

Mr. AYRES. None whatever, except what the department of water and power might have as of cash assets, as any other property acquired must be conveyed to the city proper as soon as acquired.

Mr. GARNER. Mr. Chairman, will the gentleman yield?

Mr. AYRES. Yes; I yield to the gentleman from Texas.

Mr. GARNER. The Boulder Dam act requires that after certain conditions are complied with the executive branch of the Government is authorized to enter into a contract and begin this work?

Mr. AYRES. Yes.

Mr. GARNER. I understand the Federal Government has complied with the conditions laid down, to wit, the Secretary of the Interior having entered into the negotiations and approved them, and the Attorney General having said that they are in accord with the Boulder Dam act, and those who were originally opposed to the passage of the original dam bill now come in and say, "We as the legislative branch of the Government are to look behind and see if all the conditions provided in the original act have been complied with."

I want to suggest this proposition: The original Boulder Dam act laid down certain conditions. The executive branch of the Government, so far as the surface matter is concerned, has complied with those conditions or claims to have complied with them. The Attorney General has stated that they have been complied with. Now, we are confronted with the technical objection that they have not been complied with.

Mr. AYRES. Does the gentleman take the position that Members of Congress have at this time no responsibility and have to rely upon the judgment of a Cabinet officer and assume that the contracts have been entered into with responsible people, and accept that, and go ahead and say, "We will accept that, whether or not in our opinion the contracts that have been entered into are binding upon all parties"? For one I can not subscribe to such conclusions. I want it understood that I am not questioning the honesty or sincerity of the Secretary of the Interior, but I claim the right to disagree with him as to some of the conditions of this contract.

Mr. GARNER. I do not want to take up the gentleman's time unless he is willing that it shall be taken up. I say to the gentleman, surely I would have Congress look at it with a critical eye. But when this legislation was up before in the House of Representatives—and it was fought to the bitter end here and in the other Chamber—most of the gentlemen who are against the Boulder Dam project now were against it then. That does not refer to the gentleman from Kansas, but when the original matter came up in the gentleman's committee my attention and the attention of others was called to it, and it was understood that the gentlemen who are now opposed to it were opposed to it in its original form.

Mr. AYRES. I will say to the gentleman from Texas that they are not the only ones who are raising the question of the validity of the contract, relying upon the provisions of the constitution of the State of California and the decisions of the supreme court of that State. It is a serious question whether or not the United States is amply protected. And some of us see no good reason why it should not be when it can be done.

Mr. DOUGLAS of Arizona. Mr. Chairman, will the gentleman yield again?

Mr. AYRES. Yes. I yield to the gentleman from Arizona.

Mr. DOUGLAS of Arizona. Is it not somewhat surprising that, having criticized the Executive and the executive departments, the gentleman from Texas now takes the position that because the executive administration supports a proposition which the gentleman from Texas has always favored, it should be upheld, and Congress should be denied the right to question the action of the executive officer? In taking that attitude the gentleman from Texas accuses those who oppose the appropriation of the very thing of which he is guilty.

If it is improper for those who originally opposed the proposition to oppose it now, is it not equally improper for those who originally favored the proposition to now favor the appropriation? I am surprised at the lack of anxiety which the gentleman from Texas is now betraying respecting the protection of the Treasury. I have always been told that the gentleman from Texas was one of the guardians of the Treasury of the United States, inasmuch as he is the ranking member of the Committee on Ways and Means.

Mr. AYRES. As I said at the beginning, I am not opposed to going on with the completion of Boulder Dam, but I am just as much interested in the welfare of the United States as I am in that section of the country which will be benefited by the construction of Boulder Dam. It can be protected by the city of Los Angeles complying with the laws of the State of California and become a legal party to this contract. It is neither an unreasonable nor unfair position to take so far as this committee or any member of it is concerned.

Mr. SWING. With reference to the ability of the bureau of water and power to pay the Government its contract price, may I not ask the gentleman whether he has considered this proposition: The bureau of water and power is agreeing to pay the Government the wholesale price—1.63 mills per kilowatt-hour for this power. It proposes to resell the power at a retail price to its customers ranging from 6 to 8 mills per kilowatt-hour. It already having a distributing system, it already having its organization for doing this, and it now buying 60 per cent of its power from the Edison Power Co. at a price three times as high as it is proposing to pay the Government, does the gentleman not think, if the power that is to be sold by the Government is worth 1.63 mills per kilowatt-hour wholesale, the bureau of water and power will be able to collect at retail prices at least enough to enable it to pay the Government the price called for in this contract?

Mr. AYRES. I will say to the gentleman from California that the income of the water and power company, if nothing should happen, might be ample to meet all of these requirements, but, as I have said, and again say, there is assurance that the water and power will be here 20 or 50 years hence. But I want to go a little farther. I want to ask the gentleman from California if he knows any good reason why, in entering into this contract, the city of Los Angeles proper should not be a legal party to this contract? It is the greatest beneficiary.

Mr. SWING. We think the city is a legal party to the contract in so far as they can be a legal party to a contract, and to-morrow that question, which is a technical one, will be gone into by one Member with reference to the law upon that subject to show that the city of Los Angeles is now as much a party as it can be. But I was simply pointing out to the gentleman that certainly the power which the Government is selling to the bureau of water and power at 1.63 mills per kilowatt-hour can be retailed to its million and a quarter consumers at a rate which would surely be sufficient to repay the Government the wholesale price.

Mr. AYRES. Let me say to the gentleman from California that my position in this matter, and the only position I take, is that as long as the city of Los Angeles, which will probably be here as long as any other city in this country, and as long as the citizens of that city are the principal beneficiaries of that legislation, the city of Los Angeles should be bound legally to this contract and not have to depend upon an entity that may go out of existence any time the government of the city of Los Angeles sees fit to cease to take power from the Government through this water and power commission. I do not know of any good reason to be assigned why the city of Los Angeles can not call an election, as it has a right to do, and two-thirds of the qualified electors of that city authorize the city to enter into this contract. Can the gentleman answer that question why it should not?

Mr. SWING. Yes; I can answer that.

Mr. AYRES. Why it should not?

Mr. SWING. Yes; I can answer that. It will be answered in detail to-morrow. The provision of law which exists in California which authorizes cities to hold these elections for the incurring of large indebtedness, authorizes them for certain specific purposes only, to wit for permanent municipal improvements, such as bridges, water works, sewers, light and power plants, and so forth. The contract which we have in front of us is not a contract for the purchase of property or for the purchase of a commodity, but provides for paying rental for a service. The service is the use of the water as it runs through a turbine. The contract does not sell to the city either water or electricity, but merely the use of water, and the law which authorizes a city election for the incurring of indebtedness does not authorize an election for the purpose of securing services.

Mr. AYRES. Does the gentleman contend that the city of Los Angeles or the inhabitants of the city of Los Angeles could not call an election for the purpose of voting bonds to enable the city to assume the obligations imposed by this contract?

Mr. SWING. They could call a bond election, yes; for the purpose of building the transmission line, buying the machinery to be installed in the power plant, but not for the purpose of paying for the privilege of using the water. You can not bond a city to pay for services. A vote on that would be nothing more than a New England mass meeting, expressing the good will of the citizens.

Mr. AYRES. Of course, if the gentleman takes that position, it would be useless to discuss this matter any longer.

Mr. DOUGLAS of Arizona. Will the gentleman yield?

Mr. AYRES. I yield.

Mr. DOUGLAS of Arizona. It seems the gentleman from California [Mr. SWING] has overlooked the necessity of constructing a transmission line 279 miles in length, at a cost of $30,000,000 to the city, from the generating station to the city. He may answer that there is no express obligation in the contract for the city to construct such a transmission line. I would call his attention to the provisions of the contract which provide in the following language——

Mr. AYRES. If the gentleman will permit me, I do not want to take any more time, and I am satisfied the gentleman from Arizona and the gentleman from California will have ample time to discuss these matters. I have promised to yield time to one or two gentlemen before we quit for the day.

Mr. DOUGLAS of Arizona. May I ask the gentleman from Kansas, if in answer to the interrogatory of the gentleman from California, he took into consideration the construction of a transmission line by the city, title to which will be in the city? That, of course, would not be an expenditure in consideration of service. That would be expenditure for property constructed or acquired.

Mr. AYRES. In my opinion, the investment by the city in the necessary transmission line will not be made for services, but on the contrary, if made, will be for the construction and acquisition of property, title to which will be in the city, and the Supreme Court of California has held in the case of Anderson against City of Los Angeles that the city of Los Angeles was empowered to call an election to vote bonds of the city for the purpose of acquiring and constructing certain works for supplying the city and its inhabitants with electricity and power, and I repeat that it can do it now in this contract.

I want to conclude by calling attention to some of the provisions of a contract made in 1919 wherein the city of Los Angeles and its department of water and power entered into a contract with the Southern California Edison Co. to—

1. Purchase from the company an electrical distributing system within the limits of the city and to pay therefore $11,000,000 and in addition an indefinite sum.

2. To sell to the company surplus power.

3. To purchase from the company as much power as the city might need.

The contract provided that it was not to become effective until the necessary bonds had been authorized and marketed and until two-thirds of the electors of the city voting at a duly authorized election had given prior assent to the sale of surplus energy.

The contract with the city, now under discussion, is similar to the contract of 1919 in the following respects:

1. It is with the city and its department of water and power.

2. It provides for payments of $12,000,000 plus interest compounded annually extending over a 10-year period for the right to occupy and operate generating equipment for a period of 50 years, just as the contract of 1919 with the company provided for future payments.

3. The city now agrees to transmit "over its main transmission line constructed for carrying Boulder Canyon power all such power allocated to and used by each of the municipalities, severally." No such transmission line has been constructed nor has provision been made by the city for the bonds necessary to construct such transmission line. Since it must construct such a transmission line at a cost of $30,000,000 in order that it meet the express obligation to transmit, then it follows that it is obligated to construct or acquire such a line just as in the contract of 1919 with the company it was obligated to acquire transmission lines and distributing systems.

If it was necessary for the city of Los Angeles and its department of water and power to enter into a contract with the California Edison Co. in 1919 wherein it agreed that the contract was not to become effective until the necessary bonds had been authorized and marketed and two-thirds of the electors of the city voting at a duly authorized election had given prior assent to the sale of energy, is it not a fair question to ask why they now declare that it is unnecessary when it is contracting with the United States Government?

Mr. WOOD. Mr. Chairman, I yield five minutes to the gentleman from Pennsylvania [Mr. COYLE].

Mr. COYLE. Mr. Chairman and gentlemen of the committee, there is so little opportunity for many of us to visit and know other parts of the country than our own, except in those weeks which are now rapidly approaching, that I am imposing on your good nature to express to you in just a few words the cordial invitation to take advantage of those weeks immediately after the session of Congress and visit that part of Pennsylvania which I have the honor to represent. Many of you who go north across the Delaware or west through the Buffalo gateway on your homeward journey will find in eastern Pennsylvania all the lure of history, industry, and recreation.

Keystone of the arch of the Union, Pennsylvania stands steadfast in her place, and the glory of Pennsylvania's fertile valleys and wood-crowned hills is at its height to-day. Rudyard Kipling, Briton of Britons, saw and knew the glory of Pennsylvania when he wrote of this very part of Pennsylvania:

> Those things which really last,
> When men and times are past,
> You will find them all
> In Pennsylvania this morning.

From Washington through Frederick to Gettysburg and the William Penn Highway, or Conowingo and West Chester through Pottstown to Bethlehem, or, if you have never done it, through America's shrine at Valley Forge and the Bethlehem Pike, over which Washington and Lafayette both traveled; on each of these roads you are an easy one-half day's drive from Bethlehem and Easton, with their modern hotels, schools, colleges, and industries.

And from there, across the Blue Ridge to Pennsylvania's picturesque playground in Monroe County, is but an hour on your way. The twin cities—Stroudsburg and East Stroudsburg—on the Lackawanna Trail are at the gateway to an old and yet a new resort area. The "Switzerland of America" in the last generation is, in this generation, an up-to-the-minute resort area so far as your comfort is concerned. Along the Lackawanna Trail or the Delaware River Road to Milford and Port Jervis, you find 150 inns and hotels, many of them that know no "off season," and some of which at least have a tradition for hospitality in the hands of one family for a hundred years and more. Modern hotels abound, each with its own golf course; well over a dozen of these can be found in Monroe County.

If the lure of the land can persuade you to stay for a day or so, take with you your trout rod or your golf bag, as your inclinations are, and try your luck in the Poho-Pocono or Analomink, whether your dusty miller or your Parmacheene Belle is the fly for the speckled beauties. If you can not make it this spring, try it on your return in the fall and carry your shotgun or rifle or camera. Bear and deer abound; ringneck pheasants and quail, also rabbits and the canny woodchuck here are plentiful.

I have in my office, and available for those of you who are interested, copies of the excellent road maps of Pennsylvania, as well as information concerning the commercial and resort hotels. The invitation is a cordial and personal one to each of you, and in Bethlehem where we have lived in the same house for the last 20 years almost anyone can direct you to our door. It stands wide open in greeting; as it does to our friends at home in Pennsylvania. [Applause.]

The CHAIRMAN. The time of the gentleman from Pennsylvania has expired.

Mr. AYRES. Mr. Chairman, I yield the gentleman one additional minute.

Mr. BOYLAN. Will the gentleman yield?

Mr. COYLE. Yes.

Mr. BOYLAN. I would like to ask the gentleman if the policy of the Pennsylvania State police has relaxed? The last time I drove through Pennsylvania I was held up three times by the State police in order to make a search of my car for some purpose or other.

Mr. COYLE. I will say to the gentleman that most of the State police in Pennsylvania are found to be courteous, and I feel quite certain that a word to any one of us would get all of the courtesy the gentleman could expect and a much more cordial welcome than perhaps he found the last time.

Mr. AYRES. Mr. Chairman, I yield 10 minutes to the gentleman from Missouri [Mr. NELSON]. [Applause.]

Mr. NELSON of Missouri. Mr. Chairman and members of the committee, the end of this session is in sight. Soon we are going back to our homes to tell about Congress and to be told about the country. If we are frank enough to tell the truth and fair enough to listen to it, the Nation as a whole, and especially agriculture, may get more good out of our campaigns than has come from the special or regular sessions of this Congress.

It is a wise provision of the Constitution which compels every Member of Congress who wishes to continue his work, work in which experience counts for as much here as anywhere in the world, to go back every other year to his constituents and ask a renewal of his commission. Wise, too, is that provision in the Constitution which provides that the President "shall from time to time give to the Congress information on the state of the Union."

Ours is a representative government. We are the chosen servants of the people. It is for them that we speak and act. All that we do should be openly done. Secrecy breeds suspicion. So I count it good for the country that Congress must again report to its constituency.

CONGRESS CALLED IN SPECIAL SESSION

On April 15, 1929—it might well have been April 1, "April Fool's Day"—this Congress met in special session to pass a farm relief bill and to bring about a "limited revision" of the tariff. The agricultural marketing act, which had its beginning as the farm relief bill, was a year old this week. By a strange coincidence and but for one thing both that measure and the tariff act might have had June 15 as their birthdays. The tariff bill passed the Senate on Friday, the 13th, and the House on Saturday. Now, everyone knows that President Hoover would not be guilty of affixing his signature to such a measure on Sunday, so the actual signing was delayed.

AGRICULTURE IS HARD HIT

For more than eight years agriculture has been hard hit. It has suffered a loss of $30,000,000,000 or more, while industry has gained twice as much. Farm mortgages have increased until the farmer owes on his land more than the European nations owe America, our Government having made great concessions in behalf of the foreigner, accepting, for instance, a 25 per cent settlement from Italy, but making no reductions for the American farmer. If unable to meet his Federal loans, secured through the excellent rural-credits system, passed under the Wilson administration, but since not always administered by those in sympathy, the last dollar has been demanded of him. And in the case of joint-stock banks, where the agricultural collapse closed such institutions, there is danger that investors will not only lose all but twice as much, through double assessment.

For years farmers had pleaded, protested, and prayed, while politicians proclaimed prosperity. Finally, after it was shown that the farmer could no longer be fooled, both great political parties wrote into their platforms pledges of "equality for agriculture." The promise, though, has not yet been fulfilled.

TOO MUCH POLLYANNA PREACHMENT

Just here I digress to say that, if during all this time as great an effort had been made to bring about farm prosperity as to prove its presence, where there was, in fact, no such prosperity, conditions might now be better. There has been too much ostrich optimism, too much Pollyanna preachment. Yes; in India it is Gandhi, but here it is propaganda, worse, even, since than during the World War.

Take, for instance, the tactics pursued last fall when the crash came and Wall Street looked a tiny bit like Main Street. Great billboards, prosperity porous plasters, proclaimed, "Busi- is good, nothing can stop us," while, in truth, business was slowing down, millions were being thrown out of employment and farm prices were going lower. At the same time, and in keeping with this campaign, street-car cards, masquerading as the signs of good times, urged "Back to normalcy," as in the Harding campaign of 1920, with its direful results.

As to the many-billion stock collapse of last fall, none of the fact-finding commissions gave warning. Nor have warnings since been sounded. Instead, the Assistant Secretary of Commerce, in a radio talk on November 17 last, broadcasted: "Some economists have feared that such credit, especially installment selling, is expanding excessively. Suppose—they say—that there should be a business let-down, with growing unemployment and smaller amounts of money in the pay envelopes and pockets of the people." Then the speaker added, "Let us hasten to assure you that nothing of the sort is in sight." But the collapse came, and the farmer was a victim in a crisis which he did not help create.

"A CAPITALIST WHO LABORS"

Let us get this farm situation right. As a Missouri editor expresses it, "The farmer is a capitalist who labors, one who is asked to produce at a loss, and a man who works eight hours a day twice a day." There is one place where there is right now no unemployment. It is on the farm where whole families are scratching like sin to make a living and pay interest and taxes. And speaking of work, the most discouraging feature is that in many instances the farmer who for eight years or more has worked so hard finds himself worse off than if he had quit when the collapse of agriculture came. Instead of being able to dig out, as he hoped, he has been buried beneath.

HIGH FREIGHT CHARGES

Since the passage of the Esch-Cummins law 10 years ago, farmers have had to pay higher freight rates. In many instances the transportation costs have been so high as to absorb any possible profits during periods of low prices. Since the Supreme Court decision in the O'Fallon railway case from St. Louis, and a more recent decision touching the Hoke-Smith resolution as to rates, and the growing competition of bus service, higher freight charges may come. There is hope, however, that the work now progressing so rapidly on the Missouri River and other inland waterways may afford some relief in the handling of grain and other bulky shipments.

LAND GOING DOWN, TAXES GOING UP

With land values going down and taxes going up, and practically everything that he has to sell bringing less, it is easy to understand why, even in Missouri, located in the very center of the agricultural universe, more than $17,000,000 in taxes, customarily paid at county seats, should have remained unpaid on January 1 of this year, more than $12,000,000 of this amount being on real estate.

BANK FAILURES INCREASE

Banks largely record the pulse beat of business. In 10 years there have been 5,600 bank failures in the United States. Of these, over 60 per cent were in towns of 1,000 or less, while 80 per cent were in towns of 2,500 people or less. In other words, they were largely country banks, and their failures reflect conditions on the farm. This is directly shown if we group States, such as Missouri, Kansas, Oklahoma, and States of the Northwest together, States in which bank failures total from 100 to 400 failures each, and compare them with all New England, where there were but 26 failures, or New York with but 12 Think of it. In the great agricultural State of Missouri there have been, since the beginning of the present plan of agricultural "relief," almost twice as many bank failures as in all New England in 10 years.

UNCLE SAM A SPENDTHRIFT

Unmindful of conditions, Uncle Sam continues to be the biggest spendthrift in America. As Thomas A. Edison says, "The United States Government is the most inefficient big business organization in operation to-day." Although Federal expenditures to-day are four or five times as great as a few years ago when the country had its first billion-dollar Congress, we are now, through an orgy of spending, attempting to buy prosperity on the installment plan, just as if there would not be a pay day. Worst of all, under this growing system of centralized control, the States are each year called upon to send more money to

Washington. Last year Missouri contributed some seventy millions, in addition to the tariff tax.

SAGGING ALL ALONG THE LINE

Getting back directly to the farm question, if we turn to prices for livestock we find a sickening sagging all along the line. Practically everything is lower. The Bureau of Agricultural Economics says:

During recent weeks the general commodity price level has fallen in this country to a point some 8 or 10 per cent below a year ago, and to the lowest levels since 1921–22.

The Kansas City Star of May 14 told of grain prices dropping to new low levels for the year; of cattle off at least $2; hogs $1 lower and lambs $5 a hundred less; hay from $1 to $2 a ton off in price; eggs $2 a case less; and butterfat 15 cents a pound below the prices prevailing in May, 1929. The Kansas City Daily Drovers Telegram, greatest of market papers, reports a hog market far below the expected goal of 12 cents a pound, with inspected slaughter since December 1 a quarter of a million to three-quarters of a million hogs less each month, while stocks of pork in cold storage on March 1 were 161,000,000 pounds lower than a year ago.

WOOL AND LAMBS AT A LOSS

Owners of sheep and wool have gotten as disastrous a "shearing" as speculators were given in the "sheep-shearing works" on Wall Street. Wool from our own farm sold this year for 22 cents a pound, or 10 cents less than last year, and less than one-half the former price. Spring lambs brought from $10 to $12 instead of $16 and $17, as a year ago. As Hank Potts puts it:

Poor Mary had one little lamb
That touched her tender heart;
If she ain't got but one to-day,
Where prices is, she's smart.

RECORD PROFITS FOR CORPORATIONS

In contrast with farm conditions note just a few figures showing the profits piled up by industry and the more powerful and prosperous corporations: 1,670 corporations with total net incomes of more than $5,000,000,000 for the past year, 95 public utility companies with net earnings of $90,000,000 for the shortest month of the present year, more than $65,000,000 net profit for the Standard Oil group during the first quarter of 1930, and $197,000,000 net profits for United States Steel as the 1930 showing, and net profit for all corporations estimated at $15,000,000,000 for the year. Favored groups growing fatter while the ill-favored farmer faces failure!

FOURTH OF JULY "PROSPERITY"

All in all, the spread between agriculture and industry has never been wider than to-day, yet on the Fourth of July many old-time orators will make spread-eagle speeches and tell how rich America is, tell of how many automobiles and telephones and other modern conveniences our people have. They will cite these as evidences of wealth, while in truth they may represent necessary expenditures. No family can go back and live as cheaply as in the old days. The automobile and truck are necessary equipment on an ever-growing number of farms just as the delivery truck is to the merchant. We need to distinguish between mere evidences of wealth and the necessities of life. It might be added that 3-cent hogs and 40-cent wheat more nearly met the needs and necessities of the old-time family, when land could be had at but a few dollars per acre, when but little capital was required, and taxes were next to nothing.

TEMPER OF NATIONAL ADMINISTRATION

It has been said that business follows the temper of a national administration. If this is true, and I believe it absolutely true, then the happiness and welfare of the people depend more upon the interpretation and administration of law than upon the law itself. And I would add that, generally speaking, it is better to defeat bills than to pass them, for we have too many laws as it is.

What has been the trend since the beginning of the Harding administration, and what is it now? Mighty mergers and great combinations of capital are encouraged. Bigness is the goal both in government and in business. It is symbolized in the immense building of the Department of Commerce here in the National Capital, a building containing a million square feet of floor space and costing more than three times as much as the State capitol of Missouri.

GROWING POWER OF PRIVILEGE

The powerful corporation is being put above the man. In every money center the growing power of privilege is becoming plainer. What yesterday would have resulted in punishment is to-day upheld and praised. Moves are openly proposed or made to weaken or destroy the Sherman anti-trust law and the Clayton Act, legislation enacted to protect the people against greed and avarice, but now regarded in many quarters as archaic or Puritanic. The facts are that no administration ushered in since the World War has vigorously opposed the formation of trusts and monopolies.

GOVERNMENT OF, FOR, AND BY BIG BUSINESS

Instead of the Government which Lincoln glorified, a government of, by, and for the people, ours is rapidly becoming a government of, by, and for big business.

So bold and brazen have become the acts of those who would crown capital and crucify the individual, that only last week Representative SPROUL of Kansas, in a resolution introduced in this House, proposed an inquiry into mergers, including combinations in industrial, banking, marketing, and transportation fields.

CHAINS AND COMBINATIONS

No wonder the individual business man, with but limited capital, is deeply concerned. No wonder he fears the chains and great combinations. Small wonder is it, too, that the youth of to-day grows discouraged as he studies the tendency of the times and the temper of the administration. He figures that unless there is a decided change, his life work will be not as an independent business man but as a servant of some great corporation.

Limited relief in the way of remedying present conditions may lie in legislation, but before this can come there is need that the public conscience be aroused. To continue to countenance matters as they are is to invite and deserve nothing better. What is worth having is worth fighting for, and in a fight the lowly ass is the only animal that refuses to face its foes.

SMALL-TOWN MERCHANTS SUFFER

The new census shows that the average country town has lost heavily in population. This is due in the main to the awful depression through which agriculture has been passing. Many have left the smaller places and gone to the big cities to enjoy the prevailing prosperity. There are also fewer people on farms. Whole families have left because they could not make a living. So distress has come to many small-town merchants. With the loss of the purchasing power of their former customers, these same merchants are now called upon to face the competition of outside-owned chain stores, with which the present administration has shown no concern, unless it be in its general plan to further encourage mass production and distribution and bigness in business. While awaiting any possible relief through legislation and a change in administrations, the merchant in the small town would be directly and immediately benefited by the return of farm prosperity. The biggest reason that the farmer and his family have not been buying more is that they have not had the money with which to buy.

PACKERS' CONSENT DECREE

Notwithstanding the immensity of some of the present chain-store systems, a still larger one may be in the making. The packers 10 years ago voluntarily entered into a consent decree, in the face of possible prosecution and to prevent the passage of proposed legislation, and agreed to confine themselves to their own field. To-day they are seeking to have this consent decree set aside; and, if they are successful, I predict the coming of a chain-store organization which will make existing systems seem small in comparison.

CHAIN-BANK COMPETITION

The local bank, too, is about to have to meet chain-bank competition, and when it comes it will be a bad day for the community. If the home banker is to be supplanted by the representative of a great city system, centered in New York or Chicago, and operating chain or branch banks, the country town will be struck another blow. Character on the part of the customer, who will be unknown to the new financial agent, will no longer be counted the best of collateral, and the conduct of the bank's business will more nearly resemble that of a pawnshop. Through legislation, I believe it possible to check or prevent the nation-wide spread of branch and chain banks, but with high officials in the present administration openly advocating expansion, the problem becomes doubly difficult.

INDUSTRIALIZED FARMS NOT BEST

As reflecting the tendency of those now in places of power, we hear much talk of industrialized farms. Many are openly advocating single operation and ownership of hundreds and thousands of farms, with workers, not as owners, but as renters or hired hands. This system, if put into effect, would not only destroy the independence of the farmer, but would strike at the foundation of the Government. So far as I am concerned, it is sufficient for the Soviet to experiment with such a scheme.

What we need in America is individual farm owners with their families independent, prosperous, and happy.

PLEDGES MADE IN LAST ELECTION

So much for conditions, but what of legislation? In his speech of acceptance Mr. Hoover said: "I would use my office and influence to give the farmer the full benefit of our historic tariff policy." Again, when he addressed Congress a year ago last April, he said: "I have called this special session of Congress to redeem two pledges given in the last election—farm relief and limited changes in the tariff."

FARMERS ENTITLED TO BETTER BILL

As to "farm relief": Although a member of the House Committee on Agriculture, I did not vote for the Federal farm marketing act. My reason for not supporting the bill was not due to the fact that it was largely shaped by the New Jersey member of the committee, a representative of a strictly industrial district, without a farmer in it, nor was it because—as a Washington paper stated—"the bill enacted into law hardly differed by so much as a sentence from the type the President had recommended." I believed that the farmer was entitled to a better bill, and I felt that if he accepted an unsatisfactory measure it would be very difficult to change it. To-day, after a year of disappointing results, any attempt to change the existing act would still be looked upon as an unfriendly move.

I do not believe that the farm marketing act, without the equalization fee or debenture, is any nearer what organized agriculture had expected than have the results under it been what the framers had hoped for. The first of four suggestions made by the American Farm Bureau Federation and other nation-wide farm organizations on April 6, 1929, was that the farm bill as drafted, and I quote: "Should make the tariff effective on all farm crops so that the surpluses will not be permitted to depress the domestic price to the world level of prices." This suggestion was not followed.

One year ago, June 11, 1929, the Corn Belt Federation of Farm Organizations, meeting in Des Moines, Iowa, adopted resolutions declaring that—

The so-called House farm relief bill as amended in conference does not manifest the slightest effort to make the tariff effective in behalf of our surplus farm commodities.

COOPERATING WITH FARM BOARD

The farm marketing act, now in operation, is all we have, and as long as we have it all of us ought to exercise horse sense, ought to pull with the board, if it is going in the right direction, rather than balk. In moving a heavy load up a steep hill the helpful horse has collar marks on his shoulders rather than breeching marks on his quarters.

In the statement just made I, as a member of the House Committee of Agriculture, reserve the right, if the present Federal marketing experiment finally proves a failure, to suggest amendments or even aid in its repeal.

In seeking to arrive at any possible benefits and to form a fair estimate of the workings of the Federal farm marketing act up to now we should do more than note agricultural prices here at home. If these have been held well above the world price, then the board should be credited with the benefits it has brought. We should also take into consideration conditions at the time this marketing experiment was started.

BOARD BEGAN AT OPPORTUNE TIME

Touching the latter, in the 1930 report of the Secretary of Agriculture we are told:

By a curious coincidence, the agricultural situation, when the Farm Board began its work, was unusually free from difficulties due to surplus production.

Expressing a similar view, and at a later day, in February of the present year, the Kansas City Star said:

The present effort of the Federal Farm Board to sustain the wheat market comes at an opportune time.

FIVE HUNDRED MILLION DOLLARS MADE AVAILABLE

So not only have conditions been favorable from the start but they continue so. And there are liberal funds, $500,000,000 for operations and $1,500,000 additional for salaries and expenses with which to begin. Now, $500,000,000 is a lot of money, half a dollar for every minute since the birth of Christ. It is a staggering sum, but not a dollar too much if we could through its proper use bring back to agriculture that prosperity so long promised.

A BOARD OF ABLE MEN

Added to the good start, the board has enjoyed generous good will. Almost everybody except possibly a few grain speculators, their sympathizers, and the more selfish of consumers have wished it well, even though some of the well wishers have seriously doubted if the plan would work. All of us understand the tremendous difficulties the board has had to face. This board is, perhaps without exception, made up of able men, men of the President's own choosing and his own party, and provided with ample funds, but you can not harvest a great crop with nothing more than brains and dollars. One must have machinery. When it comes to handling the crop surplus, the one big problem of the board, the Federal farm marketing act, without either the equalization fee or debenture provisions, is like a new automobile without an engine.

GIVEN ONLY A REAP HOOK TO USE

Disappointing as have been the results, it would not be just to charge all the slump in prices to the board. No sensible man would blame Chairman Legge, long head of the powerful International Harvester Co., if he were sent out into a western wheat field and given an ancient reap hook instead of a modern power combine and the crop were lost.

WHEAT RESULTS DISAPPOINTING

The most extensive experiment by the board has had to do with holding up and stabilizing the price of wheat, and here the greatest disappointment has been recorded. In the year now ending wheat prices have fluctuated as much as 60 per cent, and during almost the entire time Canadian wheat has been selling higher than our own, notwithstanding our 42-cent tariff. Prices to the American wheat grower have gone lower in spite of the fact that, as stated by Chairman Legge in a recent letter to a Member of this House—

Wheat production in 1929 is admitted by all interested parties to have been over 500,000,000 bushels less than the preceding year, yet recently the price was 22 cents below that of the corresponding date a year ago—the lowest price, with two exceptions, which has occurred within the past 15 years.

PRICES MUST GO HIGHER

With world figures indicating decreased wheat yields, probably 25 per cent less in Europe, and with the latest estimate in the United States indicating 8 per cent less winter wheat than last year, and less than the 5-year average, it is difficult to understand why wheat prices have continued so low and why they have not greatly advanced. That the ordinary workings of the law of supply and demand must soon result in higher prices seems certain. I believe that only unemployment here or refusal on the part of Europe to buy can keep wheat prices from going up.

A REASONABLE SURPLUS DESIRABLE

While anxious to go along with the Farm Board, I must in one respect take direct issue. If the farm marketing act can succeed only when farm crops fail, I am not for it, and it is worth no more than a Christmas tree after Christmas.

WANT NO MORE CROP FAILURES

My home State of Missouri has had but few crop failures. It is not a 1-crop State, and never puts all its eggs in one basket. Well, though, do I remember the terrible summer of 1901—summer of "lean kine and blasted corn"—when day after day and week after week there was the same brassy sky and continued drought and heat. Corn shriveled and twisted, pastures failed, and streams ran dry. In the end, when the scant corn crop had been gathered, the yield for the State was but three barrels, or 15 bushels, per acre. Missouri wants no more such years. It wants a surplus, with plenty to sell.

Call me a board-baiter or a Hoover-plan hater if you will, I want you, my colleagues, to know that when I see on the daily weather map out there in the Speaker's lobby favorable crop conditions for Missouri I am as happy as an old-fashioned boy with his first pair of boots. I want to see a bumper crop.

Generally, the farmer has taken advice kindly, while all the time feeling that his great need is not for more advice but more price. I do not wonder, though, that he is a bit peevish now when he recalls that it seems only yesterday when a spokesman suggested that what was needed was for the farmer to go home and raise less hell and more hogs.

TIRED OF BEING BLAMED

The farmer is tired of being blamed. He is tired of being lectured about "blind production." Experience, often bitter, has taught him that until we are able to foretell the seasons he must, in his crop work, produce more or less blindly. He knows that farming is in its very nature a gamble. In spite of all the urging to the contrary, he is going right on planting until somebody shows him how he can let his land lie idle, support his family, and pay interest and taxes. He refuses to believe that he can grow less and make more, raise nothing and become a millionaire.

WHY FARMERS ARE CONFUSED

No wonder the farmer is confused. On the one hand is a great Government agency warning him against surplus produc-

tion; on the other hundreds of experts to teach him how to increase crop production; prizes for acre yields of corn and ton litter of pigs here, and admonitions against overproduction there; baby beef clubs in the United States, and Government aid to the cattle-competing reindeer industry in Alaska.

I believe in scientific agriculture, in the United States Department of Agriculture, in our agricultural colleges and experiment stations, and our State boards of agriculture, the value of whose studies, scientific discoveries, teaching, and leadership can scarcely be overestimated. I do insist, though, that there ought to be less conflict between the various agencies and more economy in many quarters.

PRICES OF AGRICULTURAL IMPLEMENTS

When I read the agricultural outlook of the Bureau of Agricultural Economics for 1930, a frank and honest discussion, I believe, I wished that my own farm might have been a machine farm. I do not mean a machine-operated farm. Rather do I have in mind a farm where, instead of growing crops, I would plant and harvest machinery. I say this because while predictions as to most all crop and livestock markets for the year were pessimistic, the reader was told, "the general price level for farm machinery is expected to remain about the same as during the last four years." That prophecy was perfect. As proof I here submit figures, just supplied by several farm-implement dealers in the district I represent:

Comparative retail prices of agricultural implements

	Present price	Price highest time	Price before World War
Binder	$235.00	$250.00	$125.00
Mower	75.00	85.00	45.00
Walking cultivator	38.00	45.00	16.00
Riding cultivator	48.00	55.00	30.00
Corn planter	80.00	90.00	40.00
Walking plow (12-inch)	21.00	22.50	12.00
Gang plow	110.00	125.00	65.00
Wheat drill	105.00	150.00	70.00
Farm wagon	125.00	160.00	70.00

The Washington Post heads an editorial, Big Farm Machinery Sales, and sees in these sales an effective answer to "volunteer spokesmen in Congress who have been stressing the alleged increasing distress among farmers." Because sales by manufacturers of farm equipment to American buyers last year totaled more than $450,000,000 as against $400,000,000 a year before, the American farmer is represented as being better off. The facts, as everyone familiar with farming conditions knows, are that the farmer has, because of prevailing high prices, put off buying new mechinery just as long as possible. After 10 years of hard times, and when his old machinery will hold together no longer, he has been forced to buy. Much of this new machinery will be paid for with wheat now selling below the cost of production.

Let the agricultural implement manufacturers, whose profits for 1929 were 27 per cent higher than for 1928 and 63 per cent higher than for 1927 lower prices here instead of shipping millions of dollars' worth to Canada, the Argentine, and Russia, and we will have some farm relief. In buying farm machinery as almost everything else, the farmer needs a bigger dollar. Given this and a wider market, he will fare far better.

ENOUGH JOKES FOR "AMOS AND ANDY"

This takes us to the tariff. Whether we think of the Hawley-Smoot bill as a joke, a jimmy, or a javelin, the fact is that anybody who believes that it is going to fool the farmer is himself a jay. If Amos and Andy ever run out of jokes they can take the bulky tariff bill and from its hundreds of pages get enough to last them a long time. Of the tariff, the Daily Drovers Telegram, of Kansas City, says: "Check the tariff 'n' double check. The farmer gets it in the neck."

PRICES FALL AS TARIFF BILL PASSES

Immediately following the passage of the Hawley-Smoot bill it was stated that the President would carefully study its "complex provisions and obtain the counsel of experts and interested Federal departments," probably reaching a decision within 10 days. Instead, he did not even await the arrival of the bill at the White House but on Sunday announced that he would sign it.

Significant and ominous are the headlines carried in the press following the passage of the bill. Take, for instance, some in the Washington Star of Sunday, "Markets Decline as Tariff Passes," and "Europe Arrayed Against United States Tariff." And here are some heads or statements from the New York Times of Sunday:

Retail Commodities Drop in Slow Trade; Farm Board Loses $13,000,000 in Cotton; Cotton Prices Drop to Lowest of Year; July Wheat at 99 Cents as All Grains Drop; Bottom Prices of Year Made Again in Selling Wave in Chicago Pits; Corn Rushes Downward; Next Month's Delivery of Oats Is Lowest Since 1922—Cash Rye Cheapest in 30 Years; Refined Sugar Price up; Vegetable Supply Gluts Market Here, Commission Men Reject Many Carloads as Worth Even Less Than Freight; Waste Materials Suffer in Slump; Business and Commodity Drop Worst Setback, Official States; Tariff Changes, Several Nations Increase Wheat Duties; Cattle market steady to 25 lower, with vealers mostly 50 cents to a dollar lower, hogs 10 to 20 lower, fat lambs 30 to 50 cents lower, with mature classes steady to a dollar lower; New England on Upgrade; Sees Right Time to Expand Chains; Urges Branch Banks to Curb Failures—New England Told None Closed There When Farm Slump Shut Many Others.

Then in the New York Times of this morning is an account of the market following the President's assurance that he would sign the tariff bill:

All Grains Close to Pre-War Levels; July Wheat Near Price of 1914; Corn Lowest Since 1926, Oats, With Two Exceptions, Since 1913, and Rye Since 1900; July Wheat to 95⅝ in Chicago; Rallying Power Lacking.

WORKS AGAINST WORLD GOOD WILL

It is difficult to understand how at a time when modern methods of communication have brought the nations closer together, when national amity and world good will are the watchwords, when a commission in the creation of which President Hoover had such a large and commendable part is working toward the day of world peace, the United States should set up the highest tariff wall in all history, and by creating ill will and resentment largely undo what other agencies are seeking to accomplish.

CAN NOT SELL UNLESS WE BUY

If, as the Federal Farm Board says, the American farmer's problem is that of surplus production, what we need is a foreign market, but which this tariff bill will go far to destroy. I feel that it is a little short of a crime to now hamstring the Farm Board by putting into effect a tariff that will make the disposition of farm surpluses more difficult of solution. I want the American farmer to have the home market just as far as possible, but am unwilling to have the foreign market closed to him. Europe needs much that we produce on our farms, but she can not buy unless she can sell. Failure on her part to buy from us need not necessarily represent retaliation; it may become an impossibility.

Only a few days ago it was my pleasure to have dinner here in Washington with 14 journalists from foreign countries. On my right sat the representative from Switzerland. Discussing the pending tariff bill, since passed, he said with feeling: "We want to buy from your people, but you are making it impossible." Then he added, "The man with goods to sell should not kill his customer."

Already various European nations have raised their tariffs against American farm produce. Germany has raised the wheat tariff three times, and it is now equivalent to 97 cents a bushel. In France the tariff is 53 cents a bushel, in Italy 73½ cents, and in Spain $1.10, including a surtax. Germany has recently extended her tariffs. While these refer directly to farm crops, the farmer suffers also when the European countries, unable to sell their manufactured goods, can not buy our foodstuffs.

FOREIGN TRADE SHOWS HEAVY LOSSES

On the day the tariff bill, long in the making, passed the House the Commerce Department gave out figures showing the United States foreign trade for May the lowest in a decade, and smaller than any month for six years. Foreign trade for the first five months of the year was lower than for any similar period since 1924, the reduction in our exports amounting to $446,746,000.

Since the Iowa election the Dickinson victory has been represented as an approval of the tariff. This I doubt. Rather would I credit it to Representative DICKINSON'S fine personality and his long and honorable record in the House, where he has served as a member of the Committee on Agriculture and other important committees. My belief is that the people of Iowa remembered the earnest, able, and persistent fight which he made for the equalization fee, a fight in which he put his whole heart.

VIEWS OF FARMERS AND OTHERS

If we seek a real expression as to how farmers feel on the tariff bill, we have but to turn to that petition representing 3,000 farmers of the Land O' Lakes Creameries, who petitioned the President to kill the bill. Or, if this is not sufficient, we may note the poll taken by The Farmer, of St. Paul, and other

farm papers. Michigan alone voted that the President should sign the bill, while the results against show Minnesota and the Dakotas, 97 per cent; Iowa, 95; Missouri, 97; Illinois, 96; Indiana, 94; Nebraska, 93; and Kansas, 94. As to how the tariff would affect the public generally, we have the views of more than 1,000 economists, 15 of them from the University of Missouri, who oppose the bill.

TARIFF ON WHEAT NOT EFFECTIVE

In brief, I do not believe there is a Representative in Congress from an agricultural district who is satisfied with the tariff bill which the President signed to-day. Everyone knows that while experts have figured such and such per cent protection for agriculture, and so much for industry, the farm tariffs are largely ineffective, while the rates for industry are fully effective. For instance, when the farm bill was being framed I asked officers of cooperative associations, large grain growers, economists, and others if it were possible, without some such set-up as the equalization fee or the debenture plan, to make the 42-cent tariff on wheat effective, and not one answered "Yes." If the wheat tariff would work, then it is a "measley shame" that the framers of this bill did not make the tariff at least a dollar a bushel. Either the wheat tariff will not work or the farmer was given scant consideration.

STRAW STACKS AND STRAW HATS

Then there is the tariff on corn, and we hear the big bugaboo of competition from the Argentine, while official figures will show that one Missouri county (and we have 114) grows more corn than the entire Argentine ships to the United States. And what shall we say of the increased tariff on straw, when, as everybody knows, the freight rates are now so high that one can scarcely afford to ship straw a greater distance than he can see from the top of the stack. There is, though, a straw on which the tariff works. The rate on straw hats has been increased in some instances by more than 100 per cent. Especially will the buyer of cheap straw hats feel the increase in price. A strange sort of farm aid, you say. So say all!

TARIFF ON HOES, RAKES, AND SHOVELS

Straw hats are not the only ones hit under the tariff bill. On wool felt hats the tariff in some instances runs as high as 184 per cent. In short, a study of this bill shows that hundreds of items have been changed so as to increase prices of what the average farmer must buy. For the first time the farmer finds hoes, rakes, and shovels tariff taxed. Again, a strange sort of farm relief! Labor will feel the increased tariff on drills, bits, screw drivers, and pipe tools. The farmer buying rope will pay the increased tariff. School children will be further taxed in buying paints, colors, and much else. At Christmas time, too, they must pay the robber tariff on dolls and toys, on tinsels, on electric appliances, and on candles. Even Santa Claus has not been allowed to escape.

The tariff on live poultry, like that on so many farm items, instead of representing added dollars will not even be "chicken feed." It looks like the tariff ought to work on wool, yet with the tariff unchanged, wool is now selling for less than half of what it did. The same might be said of eggs, yet farmers are getting as low as 12 and 15 cents a dozen.

On many minor crops, such as winter vegetables and semitropical fruits, the tariff may be made effective, at least during certain seasons, but on wheat, corn, pork, lard, and the like, upon which millions of producers depend, it will not work.

Among the high farm schedules in the tariff bill are those on fish roe, maraschino cherries, figs, lemons and limes, avacados, shelled peanuts, green beans, mushrooms, and acorns. Think what it will mean to Corn Belt farmers, when they quit wheat and corn and go in for these crops!

The dairyman, selling butterfat far below the old price, was not saved from a tariff on milk cans. Even the man who washes his own car—and most country cars know nothing about a "car laundry"—must pay the increased tariff tax on the sponge he uses, while the housewife was not even allowed tariff-free clothespins.

SURGICAL INSTRUMENTS TAXED

Yes, and the time will come when some member of the family must go to the hospital for an operation, and here there will be increased costs because of the tariff on surgical instruments. Nobody has been permitted to escape, not even the churches.

HOW SUGAR TARIFF MAY WORK

I have spoken of the ineffectiveness of much of the agricultural tariff. There is one place where it will work to perfection. I refer to sugar, and just as soon as the present world oversupply, the largest ever known, has been wiped out, prices, due to the increased tariff, will rapidly advance. The rate in the bill is $2.40 per hundred, with $2 on sugar from Cuba, principal source of our supply. I have spoken of the price of eggs. Let us say that the farm woman takes to town a case of eggs, 30 dozen, sells them at 20 cents a dozen, and in turn buys sugar. She has $6 to invest. The tariff on the bag of sugar is $2, so in fact she gets $4 worth of sugar for her case of eggs, or only 13⅓ cents a dozen.

IF FARM BOARD HAD OPPOSED TARIFF

Knowing, as they did, what was going on when the present tariff bill, so unfair to the farmer, was being framed, think what it would have meant had Chairman Legge and his associates come up on Capitol Hill and here done their best to call a halt. For one thing, the entire country would have applauded, would have applauded more heartily even than when the Barnes bunch and the United States Chamber of Commerce crowd was taken to a deserved cleaning. Right then, in common with every Member of Congress from the Corn Belt, I would have shouted for the entire Farm Board body, and especially the Hyde and Legge.

CALLS TARIFF "A CALAMITOUS MEASURE"

The higher tariff will serve as a stumbling block and make against the success of the Farm Board set-up. To those of you who led the fight for the farm marketing act in the hope that it might help, I submit that it was just good sense to vote against the Hawley-Smoot bill, of which the St. Louis Globe-Democrat says:

> It is a calamitous measure and without an atom of good in it. As a farm relief measure, it is a complete failure.

There is no doubt in my mind but that the defeat of this bill would have done more for the farmer than has been accomplished or may be accomplished under the Federal farm marketing act.

We hear a great deal of "submarginal farms" and how these should be weeded out and the work on them discontinued. Mention a submarginal factory, though, and immediately there comes a demand that the tariff be fixed so as to make it profitable. This is the difference between the treatment given agriculture and industry.

Frequently, when selfish interests are planning a new grab, we hear many expressions of love for labor and friendship for the farmer, while representatives of the capitalistic classes are seeking to hide in the shadows and put over steals.

LABOR WELL PAID BECAUSE EFFICIENT

High tariffs do not necessarily produce high wages but do compel the farmer and the laborer to pay higher prices for much that they buy. Let nobody be fooled by the oft-repeated claim that higher tariffs are primarily to help the wage earner. Because of the Hawley-Smoot tariff bill the laborer will pay more for the necessities of life.

Labor in the United States is well paid because it is efficient and delivers the goods. It is where it is not because of any generosity on the part of capital. It is there because it is organized and because it knows that "eternal vigilance is the price of liberty." It might be added that although organized it, in this machine age, faces the danger of being robotized. And man was never any more made to be a machine than the Creator intended a machine to be a man.

QUEER SORT OF FARM RELIEF

I am about to conclude, but before I do I wish to submit a few questions and make two or three observations. I ask you, my colleagues from the Corn Belt:

Is the agricultural marketing act what you, back in 1928, thought Mr. Hoover's farm relief plan to be?

Is the tariff bill, with the flexible provision and without the debenture but with more than 1,000 changes, mostly increases, your idea of limited revision?

Would you, my colleagues from the Corn Belt, in your 1928 campaign, have dared advocate a tariff on cement, brick, lumber, rakes, hoes, and shoes, then on the free list, as well as a higher tariff on sugar, as being a good way to help the farmer?

OMISSIONS AND COMMISSIONS

I know how earnestly many of you, Republicans as well as Democrats, have desired different legislation. I can appreciate how my Republican colleagues, among whom I count many of my best friends, have been influenced by the administration in power. Your party is in complete control. Not all of you, though, are any more responsible for all the omissions of this Congress than you are for all the commissions of the President.

DECIDING MEASURES ON THEIR MERITS

Most of you on the majority side have gone along with Mr. Hoover. So have I when I thought him right. I refused to vote to override his first veto, but helped pass the Spanish-American War veterans' bill over his head. I would, if possible,

end war, but I am for those who suffer because of military service. It is too often true that:

God and a soldier all people adore
In time of war, but not before;
And when war is over and all things are righted,
God is neglected and the soldier slighted.

PUBLIC GOOD ABOVE PARTY GAIN

As to the work of this session, soon to end, I do not know how all the people may feel. It is not for me to speak for my colleagues or for another's constituency. I do believe, though, that I know something of the sentiment in the district in which I was born, and where I have since lived, and which I have the honor to serve. In fact, I have heard from many of these fine folks. An outstanding citizen, a lifelong Republican, yet a man who always puts the public good above party expediency, as all of us should, wrote in approval of my position on the farm marketing act:

I want here to express my approval of your stand with reference to the farm relief bill. You and I know that a farm relief bill without the equalization fee or debenture plan, or some equivalent to make the tariff effective for the farmer, will be of no value. * * * What we want is equivalent to manufacturers' tariffs for the benefit of the farmer. That, the eastern interests are fighting.

Another leading Republican constituent, whose suggestions thousands of Missouri farmers have followed, has just written me:

While you know my voting habits, I do think this tariff bill nothing short of a disgrace.

No; I can not believe that the pledge of equality for agriculture has been kept. I do not believe that a tariff on cement, lumber, steel, and a thousand things that the farmer and his family have to buy represents a square deal.

THE CENSUS AND RURAL LOSSES

Because it was the condition of agriculture that led to the convening of this Congress in special session more than a year ago, I conclude with the thought that while all are interested in good government a special appeal comes to farmers at this time.

The census has just been taken. As a result of this census, and the reapportionment to follow, agricultural States and rural districts will lose from 20 to 40 Members, while the large population centers will gain in proportion. Never again will the farmer have an opportunity to so fully give expression to his views. Never again will his vote mean as much. As he goes to the polls, conscious of his coming loss of power, he should do so with a deep feeling of responsibility and definite purpose to put public good above mere party gain. In the meantime, it is our duty to call attention to conditions as they are.

To sin by silence when
We should protest
Makes cowards out of men.
The few who dare must
Speak and speak again
To right the wrongs of men.

[Applause.]

The CHAIRMAN. The time of the gentleman from Missouri has expired.

Mr. WOOD. Mr. Chairman, I yield to the gentleman from California [Mr. SWING].

Mr. SWING. Mr. Chairman, I have asked for this time to ask unanimous consent to extend my remarks by putting in the RECORD a statement of the Secretary of the Interior as to the basis on which he found his conclusion that the contracts are adequate to repay the Federal Government the total expenditure called for in the Boulder Dam project.

Mr. DOUGLAS of Arizona. Mr. Chairman, reserving the right to object, what are the documents?

Mr. SWING. Partly his statement before the committee and partly a letter addressed to the chairman of the Committee on Appropriations.

Mr. DOUGLAS of Arizona. Dealing with what?

Mr. SWING. Dealing with the fact that these contracts, in his judgment, are sufficient to return to the Government the money to be expended.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. SWING. Mr. Chairman, under the leave granted me to extend my remarks I desire first to challenge the statement of the distinguished Member from Kansas [Mr. AYRES], a member of the Appropriations Committee, who stated in his prepared remarks that it was shown by the hearings that the power business of the city of Los Angeles will have to meet obligations under this contract alone—meaning the contract with the Government—within the next 50 years upwards of $350,000,000, of which about $47,000,000 will be within the next 10 years.

It, of course, always sounds impressive to give the aggregate figure for a long period of time as, for instance, the expenditure of the American people for chewing gum over a period of 50 years would, of course, sound like a very great expenditure.

I have carefully read the hearings and am unable to find any place where there was any evidence presented to the committee to show that the city's obligation under its contract with the Government for the period of 50 years would be anywhere near $350,000,000, or even as much as one-half that amount. The total amount due the Government under all contracts for the entire output of firm energy for the 50-year period is only $327,866,350. (See Secretary of Interior's tables, pp. 950-951 of the hearings.)

The city's obligation its to take and pay for only 37 per cent of the $327,000,000, which would be only about $125,000,000.

This would be an annual payment of only $2,500,000 a year, or, to be exact, $2,427,070. (See Secretary Wilbur's testimony at p. 967 of the hearings.) The total cost of the machinery, which is to be repaid to the Government in 10 years, is given by the Secretary of the Interior as $17,717,000. (See pp. 1043 and 1052 of the hearings.) The city's share of the cost of the machinery would be about $10,000,000. If we add the cost of the transmission line which the city must build—but which may be built by the proceeds of a long-time bond issue instead of from revenue—we increase our expenditures by $25,000,000. (See testimony of Mr. Ely, p. 967 of the hearings.) If the cost of the transmission line is taken out of the city's current revenues, then that $25,000,000 added to the $10,000,000 representing the city's share of the cost of the machinery makes a total of $35,000,000 that would have to be paid in the next 10 years. This figure would mean a payment by the city of $3,500,000 a year and would be, for the 10-year period, $12,000,000 less than the figure named by the gentleman from Kansas. Adding the $3,500,000 annual payment due on the cost of the machinery and transmission line to the $2,500,000 payment due the Government for energy, we would have a total of $6,000,000 per year during the first 10 years.

However, the Price-Waterhouse audit of the accounts of the Bureau of Water and Power of the city of Los Angeles division of power and light for the year of 1929 shows a surplus from power revenues of $3,626,972. This was after the city had paid the Edison Co. $3,422,642 for energy purchased from the company by the bureau and which amount under this contract would be available for payment on the obligations due the Government, making a total amount available for payments to the Government for energy and on account of machinery and for construction of the transmission line of $7,094,614, or a surplus over and above the amount actually needed of nearly $1,000,000. (See testimony of Secretary Wilbur, p. 967 of hearings.) The year 1929 was no unusual year for the bureau, as the power business of the city had been producing an annual profit of $2,000,000 a year and more for a number of years prior thereto. The business and revenues of the bureau, of course, will increase with the population and number of consumers. It is a matter of record that Los Angeles has been one of the most rapidly growing cities in America. It, of course, will continue to grow in the future and the revenues of the bureau will grow with the city.

I fail completely to see any problem in the Light and Power Bureau of the city of Los Angeles securing the necessary money to meet its contract payments due the Government in the future. First, it will be buying electrical energy from the Boulder Dam project at the wholesale price of 1.63 mills per kilowatt and reselling it to its consumers at a retail industrial price of at least from 6 to 8 mills per kilowatt. Certainly, this fact furnishes a reasonable basis to conclude that the bureau of light and power will be able to secure on the resale of the Government's energy enough money to pay the Government its contract obligations. In the second place, the city is now paying the Edison Power Co. $6,000,000 a year for energy needed by the city's consumers. Under the Government contract this large sum will be transferred from the company to the Government in satisfaction of the obligations due the Government under its contract. This $6,000,000, as I have already shown, will take care of the amount due the Government for energy, estimated at $2,500,000 a year, the amount due the Government for repayment of the cost of the machinery, estimated at $1,000,000 per year for 10 years, and the cost of the construction of the transmission line, estimated at $2,500,000 a year for 10 years, leaving a surplus thereafter in excess of $2,000,000 a year.

To show the basis on which the Secretary rests his conclusion that these contracts will return the Government's money, I desire to add at this point extracts from the letter of the Sec-

retary of the Interior to the chairman of the Committee on Appropriations, dated May 27, 1930. The Secretary therein said:

(1) The power contracts between the United States and the Metropolitan Water District of Southern California, the city of Los Angeles, and the Southern California Edison Co. (Ltd.) are adequate, in my judgment, to insure payment of all expenses of operation and maintenance of the dam and power plant incurred by the United States and the repayment within 50 years from the date of the completion of said works of all amounts advanced to the Colorado River Dam fund under subdivision (b) of section 2 of the project act for such works, together with interest thereon reimbursable under that act. This finding applies to the contracts both as originally drawn and amended as suggested before the committee.

(2) The finding stated above is reported to you regardless of whether the city of Los Angeles, or only its department of water and power, or both the city and the department, as separate entities, are thereby obligated.

(3) The finding stated in paragraph (1) would be reported to you regardless of whether or not the Metropolitan Water District of Southern California were thereby obligated.

(4) So that you may have before you certain data which are pertinent to but not controlling of the above findings, I respectfully call your attention to the following extracts from exhibits introduced at the hearing.

(5) Revenue from 64 per cent of firm energy alone will more than repay the entire estimated cost of the project in 50 years, exclusive of the $25,000,000 allocated to flood control.

The financial situation in case only 64 per cent of firm energy were paid for, and no secondary energy and no water sold, would be as follows:

FINANCIAL OPERATION—BOULDER CANYON PROJECT

(Table No. 4)

Revenue from 64 per cent of firm energy only.

No revenue from sale of water.

No revenue from sale of secondary energy.

Machinery investment repaid separately by lessees of power plant within 10 years.

Repayment of $25,000,000 allocated to flood control, including interest charges thereon deferred.

Repayment period 50 years.

Revenue from sale of 64 per cent of firm energy at 1.63 mills per kilowatt-hour		$209,406,100
Operation and maintenance	$7,132,902	
Depreciation	8,641,293	
Interest charges on all except the $25,000,000 allocated to flood control	106,289,395	
Interest on accumulated deficit	2,714,542	
Repayment (exclusive of flood control)	81,273,674	
Payments to Arizona and Nevada	1,257,658	
		207,309,464
Surplus		2,096,636

The income above stated for 64 per cent of the firm energy accords with the minimum obligations of the city (37 per cent) and company (27 per cent) and would be derived as follows:

Table No. 4

City of Los Angeles	$121,057,666
Southern California Edison Co	88,348,434
Total	209,406,100

(6) There is, however, under these contracts a firm obligation to pay for 100 per cent of all firm energy, which would result as follows:

FINANCIAL OPERATION, BOULDER CANYON PROJECT

Table No. 1

Revenue from 100 per cent of firm energy only.

No revenue from sale of water.

No revenue from sale of secondary energy.

Machinery investment repaid separately by lessees of power plant within 10 years.

Repayment period 50 years.

Gross revenue from sale of energy at 1.63 mills per kilowatt-hour		$327,866,350
Operation and maintenance	$7,262,857	
Depreciation	8,875,553	
Interest charges on all except the $25,000,000 allocated to flood control	108,107,007	
Repayment (exclusive of flood control)	82,674,907	
Interest charges on flood control	20,981,303	
Interest charges on accumulated deficit	63,973	
Repayment of flood control	25,000,000	
Payments to Arizona and Nevada	45,330,881	
		298,296,181
Surplus		29,570,169

NOTE.—If surplus is applied to repayment, the entire cost of the project would be repaid in about 43 years.

In this case the revenue would be derived as follows:

Table No. 1

City of Los Angeles	$121,310,549
Metropolitan Water District	118,031,886
Southern California Edison Co	88,523,915
Total	327,866,350

The revenue from all firm energy alone will repay the entire estimated cost of the project and give Arizona and Nevada an average of $450,000 per year each in addition to amortizing the flood-control allocation.

In the 50-year period following completion of the dam in excess of $29,000,000 would be paid into the Colorado River Dam fund from these power revenues, excluding revenue from water.

The income stated above, from power only, would appear as follows if an average of 1,550,000,000 kilowatt-hours of secondary energy were taken in addition:

Table No. 3

City of Los Angeles	$133,625,075
Metropolitan Water District	130,013,586
Southern California Edison Co	97,510,189
Total	361,148,850

In the 50-year period, in excess of $50,000,000 would be paid into the Colorado River Dam fund from these power revenues, excluding revenue from water, and the average annual payment to Arizona and to Nevada would be in excess of $550,000 each.

(7) The estimates of cost included in the above data are as follows:

Estimated cost of Boulder Canyon project, exclusive of interest during construction	$109,446,000
Interest during construction	11,554,000
Total estimated cost	121,000,000
Amount added to cover cost of raising dam 25 feet (Sibert Board said higher dam can be built within original estimate)	4,392,000
	125,392,000
Less $25,000,000 allocated to flood control	25,000,000
	100,392,000
Less cost of machinery which is to be repaid separately in 10 years	17,717,000
Net investment, exclusive of $25,000,000 allocated to flood control and investment in machinery	82,675,000

These estimates of cost are made sufficiently high to include the following safety factors:

	Per cent
15 per cent allowed for contingencies in original estimates becomes 17.5 per cent, due to fact that machinery is to be repaid separately	17.5
$4,392,000 added to cover cost of 25-foot raise in height of dam (Sibert Board says higher dam can be built within estimates for low dam)	4.2
Placing power plant on both sides of river will shorten tunnels and save $3,600,000	3.5
Additional head due to scour of river channel 20 feet	3.8
	29.0

(8) It has been stated that income from firm energy allocated to the city and company would, alone, be adequate. The average annual payments for firm energy by each will be approximately:

City	$2,427,070
Company	1,770,180

With reference to the amount of the city payment, please see the inclosed extract from audit of the accounts of the city's bureau of power and light for the year ending June 30, 1929, from which it appears that a surplus of $3,626,972.23 was available after payment to the Edison Co. for energy which Boulder Dam purchases will supplant in the amount of $3,422,642.37, or a total which would have been available for purchase of Boulder Dam energy of $7,049,614.60, as compared with an actual average bill due the United States for firm energy of $2,427,070, and without, of course, depleting the bureau's surplus, built entirely out of power revenues, of $24,024,249.75. And see the certified Edison Co. statement that the Edison Co. carried to surplus $15,701,283.06 and had total assets of $361,266,756.34.

(9) "Firm energy," as used above, represents 4,330,000,000 kilowatt-hours per year, upon completion of the dam, which will raise the water surface 582 feet, as authorized by the Sibert Board. This amount of firm energy will decrease at the rate of $8,760,000 kilowatt-hours per year due to upstream consumptive use of water. This estimate of available firm energy is based upon exhaustive hydrographic studies of the river and will not encroach on flood control. The annual decrease just stated is taken into consideration in the revenue estimates.

I also desire to add a memorandum furnished me by the Interior Department consisting of the analysis of the Boulder Dam power contract.

AN ANALYSIS OF THE BOULDER DAM POWER CONTRACTS

A lease with the city of Los Angeles and the Southern California Edison Co., and a contract for electrical energy with the Metropolitan Water District.

GENERAL

One hundred per cent of the firm energy generated at Boulder Dam is guaranteed to be paid for under these contracts, although 36 per cent for Nevada and Arizona, and 6 per cent for smaller cities must be yielded if demanded. The city's obligation is 37 per cent (13 per cent for itself, 6 per cent for other municipalities, and one-half of the 36 per cent allocated to the States until they use it). The company's obligation is 27 per cent (9 per cent for itself and other utilities, plus

payment for one-half the unused State power until the States require it). The district's is 36 per cent. The total amounts received by the United States under the two power contracts (if the power rates of 1.63 mills per kilowatt-hour for falling water for generation of firm energy, and 0.5 mill for water for secondary energy, fixed under the contracts, continue to be justified by competitive conditions when the rates are readjusted as required by the act), will vary between $327,000,000 and $361,000,000, depending upon the quantity of secondary energy and stored water sold.

The Metropolitan Water District is a municipal corporation now comprising 12 cities in Southern California, with an assessed valuation in excess of $2,300,000,000.

The city of Los Angeles is now in the power business and its total payments for purchase of power from other sources which Boulder Dam energy will supplant are in excess of the amounts which will be annually due the United States. In the operation of this power department it is adding over $3,000,000 each year to its present surplus of over $20,000,000.

The Southern California Edison Co. has assets in excess of $300,000,000, is owned by 123,000 stockholders, and serves 450,000 consumers.

If these rates continue, performance by the two lessees will amortize the estimated cost within the required 50 years from completion of the dam, regardless of performance of any other allottee of power, and regardless of whether any secondary energy or stored water is sold. Similarly, performance by the Metropolitan Water District and the city of Los Angeles, even if all other allottees fail, will accomplish this result. Similarly, performance by the company and by the district under its power and water contracts will suffice even if all other contractors fail. These statements are based on maintenance of the rates established in the power contracts; these rates are, however, under the terms of section 5 of the act, subject to adjustment 15 years from the date of execution, and each 10 years thereafter, either upward or downward, as may be justified by competitive conditions at distributing points or competitive centers.

As the price, as readjusted, can not exceed the standard fixed by competitive conditions at distributing points for competitive centers, these estimates are necessarily conditioned on maintenance of the present prices of competitive energy.

In the event that only two of these three primary contractors perform, postponement of amortization of some part of the flood-control allocation will be required, but such postponement is permissible under the opinion of the Attorney General.

The rate fixed for storage of water for the Metropolitan Water District is 25 cents per acre-foot.

On the basis of the rates now set and the estimated costs there will have been paid into the Colorado River Dam fund out of excess revenues during the 50 years following completion of the dam, as provided in section 2 (b) of the act, between $29,000,000 and $66,000,000, depending on the quantity of secondary energy and stored water sold.

During the same period there will have been paid to each of the States of Arizona and Nevada, under section 4 (b) of the act, between $22,000,000 and $31,000,000, depending on the same factors.

The amount which would be paid by the Metropolitan Water District for power and water under present rates, if they should continue to be justified by competitive conditions, during the 50-year period would vary between $118,000,000 and $130,000,000. The amount similarly paid by the city of Los Angeles and the smaller municipalities would vary between $121,000,000 and $133,000,000, and the amount similarly paid by the utilities for their smaller allocation would vary between $88,000,000 and $97,000,000.

None of these contracts become effective until the first act of Congress making an appropriation for construction of the dam has become law.

PARTICULAR PROVISIONS (REFERENCES ARE TO ARTICLES OF THE LEASE)

Machinery, installation, repayment of cost, title, and recapture: As required by section 6 of the act, title to the dam and power plant will forever remain in the United States.

Machinery will be installed and owned by the United States (art. 8). As compensation for its use, the two lessees will pay an amount equivalent to the cost thereof in 10 equal annual installments at the beginning of the lease period, amounting to a prepayment of rent for the whole lease period. This is in addition to the charge for falling water.

Under this arrangement no equitable interest in the machinery ever vests in the lessees, and in the event of recapture no payment will be owing to them on account of the original installation.

Operation of the power plant: The lease is a several, not joint, lease on separate units of a Government-built plant to the city and to the company (art. 10), operated separately by the two lessees under the general supervision of a director appointed by the Secretary (arts. 10–c, 12).

The two lessees will generate at cost for all other allottees (arts. 10, 12). The cost will be determined by the Secretary (art. 10–lii, art. 12).

Repairs and replacements: In articles 12 and 13 the lessees assume the obligation to operate and maintain the plant, including repairs and replacements, at their own expense, except that replacements made after the last readjustment of rates will be considered at the end of the lease period and compensation made to the lessees for the unused life of such replacements.

Provisions in favor of States: Under the allocation of energy made in article 14, Arizona and Nevada are each allocated 18 per cent, without the obligation to now contract for it. Each State may withdraw and relinquish energy in any amount until its full allocation is in use, on six months' notice if the amount required is 1,000 horsepower or less until it has withdrawn 5,000 horsepower in any one year, and on two years' notice if larger quantities. Whatever right may be available to either State to execute a firm contract instead of accepting this drawback arrangement is left unimpaired. But under such a firm contract if, say, made for 33⅓ per cent of the energy, the minimum obligation of the States over the 50-year period may be compared with minimum payments expected from the Metropolitan Water District for 36 per cent of the firm energy, which amounts to $118,000,000, a firm obligation whether the energy is wanted or not. All the contracts of the States for electrical energy, like the contracts of all other contractors, will be made directly by the Secretary and enforced by the Government director at the plant. Generation for all allottees must be effected at actual cost, determined by the Secretary.

Either State may increase its allocation up to 22 per cent after 20 years if the other State does not take its full 18 per cent by that time.

Generation for other contractors: Under article 14 the lessees undertake to generate at cost energy which the Secretary may contract to furnish to the other allottees, as follows: Metropolitan Water District, 36 per cent of the firm energy plus all the secondary energy, plus first call on unused State allocations, all limited to use for pumping; 11 smaller municipalities, 6 per cent of the firm energy; the States, 36 per cent of the firm energy. The city of Los Angeles generates, in addition to these allocations, 13 per cent for itself. The company generates 9 per cent for itself and other public utilities. The division of the 64 per cent allocated California is in accord with agreements submitted to the Secretary by all these California interests on March 20 and April 7.

Quantity and rates for energy: Firm energy is defined as 4,240,000,000 kilowatt-hours (art. 15) based on a 575-foot dam and the best available studies of the river flow over the past 35-year period, decreasing annually not more than 8,760,000 kilowatt-hours, in anticipation of increasing upper-basin use. Additional energy is considered as secondary energy. Nevertheless, if the United States builds a higher dam and thus provides a greater quantity of firm energy it reserves the right to dispose of the excess to any municipality independently of the above allocations. The rate for falling water for firm energy is 1.63 mills; for secondary energy, 0.5 mill (art. 16). These rates, as required by the act, will be readjusted at the end of 15 years and every 10 years thereafter, either upward or downward, as justified by competitive conditions at competitive centers but not to exceed the standard so fixed.

Minimum annual payments—load-building provisions: A minimum annual payment is required of each contractor for the firm energy allocated, equivalent to the number of kilowatt-hours allocated to it multiplied by 1.63 mills. Nevertheless to provide an absorption period at the beginning of each lease period the requirement for the first year is fixed at 55 per cent of the ultimate obligation, for the second year 70 per cent, for the third year 85 per cent, and for the fourth year and subsequent years, 100 per cent. Energy taken in excess of these quantities will be paid for at the rate of secondary energy.

Duration of the leases: Under article 9 the first energy available (expected some time in advance of completion of the dam) shall go to the city, with the district commencing to take one year thereafter, and the company three years thereafter. Under article 26 all contracts terminate when the city contract ends, which means that the company is given a 47-year lease and the district a 49-year contract. Nevertheless, the rental paid by the company for its 47-year term is the same as that paid by the city for its 50-year term per kilowatt of capacity; that is, an amount equal to the cost of the machinery used (art. 9).

Remedies of the United States: Under articles 19 and 20, generation of energy for any allottee in arrears must be stopped on demand by the Secretary. If the lessees themselves are in arrears more than 12 months or fail to furnish energy in accordance with the allocations to other contractors, the United States can enter and operate the plant and, on two years' notice, terminate the lease and make other disposition of the power, subject to a 10-year right of redemption under the lease. The lessees' prepayment of rent for the whole 50-year period in the first 10 years (art. 9) leaves the United States in possession of the machinery as a substantial guaranty of performance.

A provision for posting of security bond when and if required by the United States is inserted in the district contract, as it provides no machinery.

Monthly payments and penalties: Under article 18 power bills must be paid monthly subject to a 1 per cent penalty per month in arrears.

Interruptions in the delivery of water: Under article 21 the United States is not liable for interruptions in the delivery of water caused by drought, act of God, etc., but the power bills are reduced to the extent of such interruptions. All contracts are made subject to the Colorado River compact, subordinating the use of water for power to use for irrigation, flood control, navigation, etc.

Measurement and record of energy: Records of energy generated and its distribution to the various allottees are to be kept by the lessees and reported monthly (arts. 22, 23). Meters will be Government tested and inspected.

Inspection by the United States: Full right of entry and inspection of all machinery and books is reserved by the United States (art. 24).

Transmission: The city agrees to transmit for the district and the smaller municipalities. The company agrees to transmit for the other utilities. Transmission for the States will be a separate problem, as the lines will run in different directions from those of the city, company, and the district (art. 25).

Title to remain in the United States: Under article 27 title to the dam, power plant, and incidental works, as required by section 6 of the act, remain in the United States forever.

Power reserved for United States: Five thousand kilowatts from each lessee is reserved for the United States for construction purposes on this or other dams (art. 28).

Use of public lands for transmission lines, as provided in the act (sec. 5), is permitted (art. 29).

Claims of the United States have priority over all others, as required by section 17 of the act (art. 30).

Contracts between the city and the company now in force are modified so as to remove any restrictions on either of them from entering into this contract with the United States (art. 31).

Transfers of interests under these contracts are forbidden without the Secretary's consent (art. 32).

The contracts are subject to the Secretary's rules and regulations, with a right of hearing to the contractors before modifications are made (art. 33).

Agreement is subject to the Colorado River compact (art. 34).

Arbitration of disputes between contractors is provided, and also the procedure for arbitration between the United States and contractors, if both the United States and the disputant agree to arbitrate (art. 35).

Performance by the United States and contractors is made contingent on appropriations (art. 36).

Modifications in favor of one contractor shall not be denied to another (art. 37).

Members of Congress are excluded from benefits in the contracts, except as shareholders of corporations, in accordance with specific statutory requirement.

Mr. AYRES. Mr. Chairman, I yield seven minutes to the gentleman from Missouri [Mr. LOZIER].

Mr. LOZIER. Mr. Chairman, ladies, and gentlemen, I ask you to help me save $25,000 to the Treasury of the United States. A message came this morning from the Bureau of the Budget and the President, recommending an increase in the appropriation for a public building at Trenton, Mo. The original authorization was for $75,000. They are now seeking to increase the appropriation to $100,000, the extra $25,000 to be available for the purchase of a site in place of the one now owned by the Government.

In about the year 1909 the Federal Government purchased a site for a public building in Trenton, Mo. If I remember correctly, the property cost approximately $6,000. There was, as is usual in cases of this kind, considerable opposition to the site selected; but there was general acquiescence by the great mass of the people of Trenton, who were anxious to secure a Federal building. Trenton is a city of about 8,000 population, a railroad center, and the county seat of Grundy County, one of the most productive and progressive sections of Missouri. The World War came on before Trenton could be included in an omnibus public building bill. As you know, the war stopped public building, and after peace came, practically no Federal building projects were authorized for many years. When we did begin a public-building program the old omnibus-bill method was abandoned and each proposal had to be considered on its merits.

Finally Congress authorized an appropriation of $75,000 for a public building at Trenton. In this I had a modest part. With this authorization there was no reason why Trenton should not get its building under way. But there was still some dissatisfaction over the site and some suggestion that the question of location be reopened. But the conservative and far-seeing business men of Trenton quickly realized that it would be a mistake to reopen the question as to the site. With commendable energy the business and professional interests went to work to compose all differences as to the location of the Federal building. The chamber of commerce, Rotary Club, and other business and civic organizations joined hands with the rank and file of the splendid citizenry in bringing about an agreement in favor of having the Government building constructed on the site which the Government had owned for more than 20 years.

Actuated by a spirit of civic pride, and earnestly desiring to promote the welfare of their beloved city, the people of Trenton reached an agreement which reflected the wishes of practically the entire population. A petition was drawn requesting the Government to proceed with the construction of the Federal building on the site then owned by the United States, and in this document the signers expressly withdrew all objections they had ever had to the site and requested that any and all objections theretofore filed be ignored and considered as withdrawn. This was signed by 90 per cent of the business and professional men of Trenton—in fact by an overwhelming majority of the representative citizens of Trenton. This document was filed with the department at Washington and was, in words and figures, as follows:

Whereas the United States Government did, about the year 1909, become the purchaser and is now the owner of a certain lot or tract of ground situated at the southeast corner of Seventh and Main Streets, Trenton, Mo., the same having been selected and purchased as a site for the erection of a post-office building in Trenton; and

Whereas certain opposition to the use of such site for the erection of a post-office building has heretofore arisen, and the use of such site opposed by certain business interests in Trenton, as well as citizens of Trenton and the patrons of the Trenton post office, and it is now desired by the undersigned to indicate that all opposition to said location and site for said proposed post-office building on the part of the undersigned has disappeared.

Now, therefore, the undersigned hereby agree to, and with each other, that the present site and tract of ground owned by the Government for the purpose of erecting a post-office building in Trenton is in all respects satisfactory and any and all protest or opposition by any of the undersigned at any time heretofore made is hereby withdrawn, and all the undersigned hereby express their wish and desire that a post-office building be promptly erected in Trenton, on the present site, and hereby agree that any and all former communications, letters, or statements in opposition to said site be ignored.

Dated at Trenton, Mo., this 14th day of June, 1929.

Henry M. Hieman, wholesale grocer; Ott Stein & Bros., general merchant; H. F. Hoffman, Real Estate Investment Co.; T. N. Witten, hardware; W. W. Alexander, banking; B. S. Drummond, retired farmer; Joseph L. Nichols, retired merchant; W. H. Winningham, M. D.; J. E. Todd, minister; Hubbell Theater, R. Josephson; Alex Young, coal dealer; B. L. Ellis, real estate; J. C. Newman, farmer; Charles Foster, dairy; E. C. Ambrose, M. D.; C. C. Ebbe, contractor; H. Swartz, merchant; John R. Merrill, clothing merchant; B. J. McGuire, druggist; G. W. Belshe, M. D.; Court P. Allen, insurance and abstract; C. G. Cisco, property owner; O. G. Haley, merchant; F. W. Shipman, loan and insurance; Mrs. Roy Burkholder, Maytag Washers; Frank Reed, jeweler; Gail C. Flesher, sheet metal works; Fair Drug Co., druggists; Scott Bros., grocers; Trenton Coal Co., W. O. Garvin, president; W. B. Crockett, modern shoe shop; A. T. Barton, grocery and meats; J. L. Austin, wholesale grocer; G. N. McGee, lumberman; Gipson Furniture Co., retail furniture; J. C. Penney Co., department store; C. F. Wettstein dentist; Henry Wettstein estate, by C. F. Wettstein; Walters' (Inc.), ready-to-wear; R. J. Green, Farmers' Bank; Farmers' Bank, R. J. Green, cashier; Frank Vincell, banker; J. M. Webster, banker; E. E. Shields, grocer; Lafe Gee, property owner; E. G. Kathan, druggist; L. O. Graham, grocer; Paul R. Comstock, Hudson-Essex dealer; R. W. Allardice, coal dealer; Trenton Home Oil Co., oil; John B. Crooks, oil company; Dale S. Hoffman, retail dry goods; G. H. Titcomb, merchant; Frank E. Lafferty, merchant; H. H. Higgins, merchant; Bailey De Vaul, merchant; Ray Thomas, oil business; C. R. Rensch, oil station; Fischer Bakery, bakery; O. R. Rooks, physician and surgeon; Chappel Bros., furniture company; Thompson & Gass, produce company; Fred Still, grocer; J. H. Geatz, cleaning and dye works; W. M. Simpson, bakery; John Simpson, bakery; F. H. Wallace, machine shop; Hatfield Produce, dealer, feed, and produce; Herman S. Gould, silver bowl; Claude Belshe, city property; Carrie Roh, millinery; Harts Café, café; Perry Smith, contractor; Elza Walker, barber shop; Trenton National Bank, by Joseph Martin, president; Joseph N. Martin, banker; Band Box Millery, merchants; Della V. Stroud, Elk Hotel; Gillespie Barber Shop, barber shop; Gardner-Skinner, electric company; Gardner Flesher, coal company; R. J. Martin, American Express agent; Republican Times, newspaper; F. A. Neighbors, druggist; Trenton Trust Co., banking; J. E. Neely, physician; L. J. Limes, banker; Earl Wanamaker, dentist; T. E. Moore, physician; William Robertson, hardware; Trenton Hardware Co., hardware; H. E. Brown, hardware; M. J. Furlong, clothier; Furlong-Harrison Clothing Co., clothing; Gus Winters, property owner; Frank Harrison, clothier; W. E. Pennell, jeweler; Elmer J. Smith, clothier; John T. Pratt, shoe retailer; B. C. Nichols, retired merchant; Maude B. Nordyke, bookkeeper; J. B. Wright, physician; E. P. Bean, grocer; F. C. Depuy,

grocer; Timmons Motor Co., garage; Timmons Motor & Oil Co., gasoline, oils, and greases; W. A. Wingate, grocer; Bell Telephone Co., J. G. Sigler, district manager; Riggs Creamery, manufacturing ice cream; Hyde Motor Sales Co., by C. B. Stone; Asman Shoe Shop, shoe repairing; Hill Bros., grocer; Hickman McReynolds, barber shop; W. E. Conduitt, property owner; H. M. Cooper, grocer; Farmers Produce Exchange, Homer Browning; J. U. Morris, county agent; D. F. Warren, probate judge; Tenia Myers, circuit clerk; M. H. Mooney, recorder; W. M. Morris, county clerk; H. R. Morris, deputy county clerk; Thomas J. Layson, prosecuting attorney; Harry Witten, property owner, Blanche Baker, county superintendent of schools; O. P. Nisbeth, Chevrolet dealer; S. E. Stroff, property owner, Harry Whorton, groceries; Oscar Morris, property owner; Chase & Mullins, furniture; Harold Robertson, billiard hall; Mrs. Charles Ford, cafe; Crane Auto Supply, manager; Wiggins Clothes Shop, tailor shop; E. R. Sheetz, real estate; R. F. Hatfield, transfer company; Grand River Press, printing office and supplies; Kesterson & Co., billiard hall; Lee Clapp, auctioneer; W. L. Bedford, druggist; Dr. G. C. Clark, dentist; Andy Welch, constable; J. E. Foster, Trenton Shoe Store; Ray Denslow, secretary; Ira W. McRae, osteopath; Geo. Benjamin, retired conductor; Fred Guiles, real estate; John T. Drummond, justice of peace; Clyde Maxwell, music store; Sam Moss, butcher; A. H. Drummond, banker; L. I. McMullen, merchant; Grundy Lumber Co., lumber; John A. Jones, real estate and loans; Jas. T. Menefee, plumber; E. A. Duffy, doctor of medicine; John C. Hall, retired merchant; W. W. Hall, retired bricklayer; Helen M. Hall, housekeeper; Harve Hall, brick mason; R. E. Kavanaugh, lawyer; Geo. Cutlip, retired; I. A. Shirley, salesman; M. W. Hubbell, theater; Earl F. Buckley, plumbing and heating; A. G. Knight, judge circuit court; Mae James, court reporter; H. J. Bain, lawyer; G. E. Woodruff, lawyer; G. M. Wolz, banker; S. F. Hoffman, merchant; H. O. Fisher, restaurant; Mrs. M. S. Snyder, resident; G. B. Simons, Coca-Coca Bottling Works; E. Whitnell, insurance; F. A. Lane, accountant.

STATE OF MISSOURI,

County of Grundy, ss:

I hereby certify that the foregoing is a true and correct copy of original instrument this day exhibited to me.

Dated at Trenton, Mo., this 29th day of July, 1929.

COURT P. ALLEN,

Notary Public for Grundy County, Mo.

My term expires July 1, 1932.

It will be observed that this instrument was signed by 178 individuals or firms, representing all lines of business activity in the city. In fact, only a very few business men withheld their signatures from this instrument. It undoubtedly expressed the sentiment of the great mass of people in Trenton. This instrument was called to my attention and I was requested to aid in securing a release of the appropriation so that work on the new building could commence at once. Lest I forget, I want to say that the foregoing document was signed by practically every business or professional man in Trenton who had previously opposed the present site. It was in name and fact a "get-together agreement" by which all previous differences were composed, and all agreed to work together for the building which was to be constructed on the old site.

Be it said to the credit of the good people of Trenton that practically all of them "stood hitched" and kept faith with their neighbors and have used their influence in favor of the present site. With the great majority of the people who signed this document their promise was as good as a Government bond, and, esteeming a good name as more to be desired than great riches, they did not quibble or equivocate; they did not seek an avenue by which they could escape the obligations of the foregoing covenant; they did not lay awake at nights planning how they could "right about face" and nullify the agreement into which they had entered with their neighbors. When the document to which I have called your attention was signed, it reflected the desires of the people of Trenton and it reflects their present wishes.

In composing their differences in reference to the location of the proposed public building the good people were not only actuated by a desire to put an end to strife but they realized the material welfare of the city would be promoted by getting the Federal building as quickly as possible. There was another compelling reason. Across the street from the county courthouse and the Government site a company had proposed to erect a 5-story hotel, to cost approximately $250,000. The hotel was much needed, and the public-spirited people of Trenton were anxious to see the hotel built. It has been represented to me, and I have no reason to doubt the accuracy of the information, that those promoting the new hotel would not undertake the enterprise unless and until they were assured that the new public building would be erected on the present site. I understand that this assurance was given, at least so far as the people of Trenton were able to control the action of the Government. The hotel has been constructed and is a credit to the city. It is, as I have stated, across the street from the county courthouse, and the courthouse adjoins the present public-building site now owned by the Government. If the Federal building is constructed on the present site, the new 5-story hotel, the courthouse, and the Federal building, across the street from each other, will constitute a section of which the people will be proud.

Recently a movement was launched to reopen the question of site for the Federal building. It is not supported by the people of Trenton. It is not favored by any considerable part of the population. It is the pet child of one man, who by his action has assumed an attitude of hostility toward the great majority of the people of Trenton. He opposes the present site and wants the Government to buy another—preferably one in which one of his close relatives has an interest. This man stands practically alone in his demand for a new location for the Trenton Federal building. He is seeking to thwart the will and defeat the wishes of an overwhelming majority of the people of Trenton. He is relying on "a pull" and on nothing else but "a pull" to defeat the public will. Seemingly indifferent to the interests and welfare of his home city, he ruthlessly "pulls the wires" and, in effect, says "the public be damned."

When the people of Trenton settled their differences over the location of the Federal building this gentleman fell in line, and on July 26, 1929, sent to a Cabinet officer the following message:

Erection of $250,000 hotel on present Trenton hotel site cures defect in location of post office on Government lot with me. Confident it does with over 90 per cent here. Will appreciate it if you will urge Governor Bartlett to get behind immediate construction of building. Hope you fully agree with my position. Please wire me to-day what you will do.

So it would seem that on July 26, 1929, the gentleman who is now turning heaven and earth to get a new location for the Trenton building at a cost to the Government of something like $25,000 was then satisfied with the present location. He said that the erection of the $250,000 hotel cured defect as to location of post-office building. If the situation was "cured" then what has happened to "uncure" it? Could the fact that he sees a chance to have the Government buy a new site, of which a close relative owns a part, have had anything to do with the gentleman's change of heart?

Please note the zeal of the gentleman as reflected by his message. He says that the building of the hotel will not only correct the defect in location of post office so far as he is concerned but also in the minds of 90 per cent of the Trenton people. With the spirit and intrepidity of a crusader he demands that First Assistant Postmaster General Bartlett release the funds for the Trenton building. And yet this same gentleman has succeeded in convincing the Fourth Assistant Postmaster General that the Government needs a new site for the Trenton building.

But the gentleman who has upset the Trenton apple cart, was not content to send just one message to bring about the construction of the Federal building on the present site, but in the zeal of a new convert he sought to exert his influence far and wide. He not only enjoyed the confidence of Cabinet officers, but Republican national committeemen were not immune from his subtle charm. And so on July 26, 1929, he sent to a national committeeman, in care of the Metropolitan National Bank, Washington, D. C., the following ex-cathedra epistle:

Guaranteed erection of new $250,000 hotel at Trenton close to post office site owned by Government cures defect in location. Urge you to insist on Post Office Department releasing $75,000 appropriation for building as we desire contract let; let and construction to begin within 60 days if possible. Please wire at my expense result promptly as we have unusual interest in work under way.

Here we have another admission from the "stormy petrel" of Grundy County that whatever objections had previously been urged against the site selected for the Federal building in Trenton, had now been obviated. A reasonable construction of the message justifies the conclusion that the sender would never have another happy day unless work on the now Government building was begun in 60 days. He not only suggested but insisted on the $75,000 being made available immediately, so Uncle Sam could begin construction of the new post office on the site which he now says is unsuitable.

This gentleman recently saw a great light. Perchance he lay awake many nights pondering over the location of the Federal

building in Trenton. Perhaps he feared that he had done posterity a grave injustice by sanctioning the erection of the Government building next to the court house and the $250,000 hotel.

In any event, the gentleman experienced a change of heart, and he made a pilgrimage to Washington to persuade the departments that the present site is unsuitable and unsatisfactory, and perhaps he may have diplomatically suggested another site of which a near relative is part owner.

It might be well for the gentleman to poll himself so the people of Trenton may know where he stands, and why a site that was "cured" and satisfactory last July is now unsuitable and unsatisfactory. What has chilled the gentleman's enthusiasm for the old site? Last July he was falling over himself to have work begin on the building which was to be located on the lot that the Government has owned for more than 20 years. Verily—

He weaves in and weaves out,
And leaves the people all in doubt,
Whether when he made the track,
He was going out or coming back.

But we must give the gentleman credit for getting results In response to the second message to which I have referred Mr. National Committeeman wrote the following letter:

MR. ARCH COLEMAN,
First Assistant Postmaster General, Washington, D. C.

MY DEAR MR. COLEMAN: I will appreciate very much if you will urge the immediate release of the $75,000 allotment made by the Building Committee for the new post office at Trenton, Mo. The people at Trenton are very anxious for the building to get under way, and certainly need the new building.

This allotment was made about six months ago by the First Assistant Postmaster General Bartlett, Assistant Secretary of the Treasury Schumemann, and Mr. Martin, of the Budget.

But the king maker of the Grand River Basin did not continue steadfast in the path he fain would follow. He has been running in reverse for some weeks, and as a result, he had set in motion a train of events, which if not curbed will take $25,000 out of the Treasury of the United States and put the Trenton Federal building in a location where nine-tenths of the Trenton people do not want it. He has worked his will, and now department heads and bureau chiefs place their O. K. on his proposal, the people of Trenton to the contrary notwithstanding.

A few days ago, when it became known in Trenton that Congress would be asked for an additional appropriation of $25,000 to buy a new site for the Trenton public building, the people of Trenton voiced their righteous indignation. These good people are satisfied with the old site, and they vigorously oppose a new location. They resent being exploited and treated contemptuously by departmental heads and bureau chiefs. They know where they want their public building, and they do not want it where the Post Office Department is trying to put it. Trenton people have talked with me over the phone and have sent me numerous messages protesting against the arbitrary action in abandoning the present site and seeking to place the building in the busiest corner of the city. The building is supposed to serve the people of Trenton and seemingly they should have something to say where it shall be located. The following message was received by me to-day:

TRENTON, MO., *June 17, 1930.*

HON. RALPH F. LOZIER,
Member Congress, Washington, D. C.:

Herewith petition signed by 90 per cent of principal business interests presented to for present owned site. Signed: J. B. Wright, Claude Belshe, H. E. Brown:

Whereas the United States Government did about the year 1909 become the purchaser and is now the owner of a certain lot or tract of ground situated at the southeast corner of Seventh and Maine Streets, Trenton, Mo., the same having been selected and purchased as a site for the erection of a post-office building in Trenton; and

Whereas certain opposition to the use of such site for the erection of a post-office building has heretofore arisen and the use of such site opposed by certain business interests in Trenton, as well as citizens of Trenton, and the patrons of the Trenton post office, and it is now desired by the undersigned to indicate that all opposition to said location and site for said proposed post-office building on the part of the undersigned has disappeared;

Now therefore the undersigned hereby agree to and with each other that the present site and tract of ground owned by the Government for the purpose of erecting a post-office building in Trenton is in all respects satisfactory and any and all protest or opposition by any of the undersigned at any time heretofore made is hereby withdrawn, and all the undersigned hereby express their wish and desire that a post-office building be promptly erected in Trenton on the present site and hereby agree that any and all former communications, letters, or statements in opposition to said site be ignored.

Dated at Trenton, Mo., this 14th day of June, 1930.

(Name, business or profession.)

Claude Belshe, city property; Trenton Hardware Co.; H. E. Brown, hardware; Lillie Martin, stenographer; Court P. Allen Co., insurance; Gladys Casebeer, abstracter; Clarence Summers, railway postal clerk; W. H. Winningham, M. D. and surgeon; Phena Baker, doctor's assistant; G. R. Kesters, billiard parlor; T. H. White, Grand River Press, proprietor; L. J. Limes, Trenton Trust Co.; A. H. Drummond, Trenton Trust Co.; Stephen Van Cleve, tinner; C. G. Cisco, druggist; Heiman Wholesale Grocery Co.; H. M. Heiman, wholesale grocer; Fred Guiles, retired barber; E. B. Gillaspie, barber; Dickinson Theater; Dick Curry; Grover C. Johnson; H. O. Fisher; R. P. Hill, grocer; D. M. Pond, traveling salesman; J. C. Collier, property owner; F. A. Lane, wholesale grocer; Huel Gee, farmer; Flavel Gee, farmer; T. E. Vail, merchant; Jno. W. Black, salesman; Leo Cooksey; John Schmitt; M. Taylor; Timmons Motor Co., garage; Timmons Motor & Oil Co., gas, oil, and grease; Wm. C. Timmons, mechanic; Harley Flesher, mechanic; James H. Timmons, property owner; Margaret Fisher, bookkeeper; Edith Cornwell, bookkeeper; Brandon Cannady, bookkeeper; W. W. Alexander, Trenton Trust Co.; William Robertson, hardware; I. E. Arnold, stock buyer; W. F. Casebeer, farmer; F. O. Weed, farmer; E. L. Nordyke, farmer; Joe Embry, farmer; R. D. Kelso, farmer; O. T. Ellington, farmer; Nina Hatfield, bookkeeper; S. E. Stroff, dispatcher, C., R. I. & P.; F. M. Talley, retired; Joe Whitney, farmer; Julian Whitney, farmer; Kenneth Whitney, farmer; R. W. Crane, real estate; Clyde McCallum, clerk; Geo. H. Hubbell, attorney; M. J. Furlong, clothier; Furlong-Harris Clothing Co., retail clothiers; Roy Renfro, oil station; Luther Rosson, laborer; M. & K. Service Station; C. G. Brummett, salesman; L. V. Carr, filling station; T. O. Horn, contractor; Chester Horn, blacksmith; Packer & Wheeldon, contractors; Gardner & Skinner Electric Co., by C. W. Skinner; C. L. Dowell, merchant; E. R. Sheetz, real estate; Bertha E. Sheetz, physician; Geo. M. Todd, deputy sheriff; W. H. Rader, farmer; W. Detennoncourt, insurance; Jas. T. Menefee, plumbing and electric; Harts Café; D. H. Faller, property owner; Mrs. D. H. Faller, property owner; Johnson Produce, poultry house; H. Swartz, feed dealer; B. L. Ellis, real estate; L. D. Brummitt, clothier; Elmer J. Smith, clothier; H. O. Foster, salesman; Geo. E. Mapes, salesman; Ott Stein, merchant; H. Stein Sons, general merchant; Alex Young, coal dealer; Chas. A. Foster, dairyman; B. S. Drummond, retired farmer; Abe Stein, merchant; Edward Stein, merchant; A. A. Gentry, physician; J. T. Drummond, justice of the peace; A. F. Welch, constable; B. J. McGuire, financing; Chas. Bickel, farmer; Fosters Shoe Store, J. E. Foster, N. M. Foster; Barrington Paris, H. C. Bowling, Western Union Telegraph; H. J. Bain, lawyer; G. N. McGee Lumber Co., lumber, retail; G. N. McGee; D. S. Hoffman Co., merchant; D. S. Hoffman, merchant; J. B. Wright, surgeon; M. B. Nordyke, secretary; Mildred Wisdom, housekeeper; Mae Hill, housekeeper; Roy L. Scott, mechanic; Elizabeth Scott, housekeeper; Jessie Irving, nurse; Ruth Vanderpool, nurse; Anna Ratliff, nurse; R. L. Parmenter, manager S. H. Kress & Co.; N. D. Snyder, mechanic; Mrs. S. A. Snyder, retired housekeeper; Comutoc Motor Co.; Paul Comstock; C. C. Ebbe, contractor; Noel Hatfield, conductor; W. P. Moore, insurance, Equitable Life, New York; J. V. beacham, dispatcher, Chicago, Rock Island & Pacific; Mrs. Geo. Stablein; Mrs. Geo. N. McGee, vice president G. N. McGee Lumber Co.; Garfield E. Mead, Chicago, Rock Island & Pacific; Uhop Painter; Paul Walton, manager Crane Auto Supply; Auto Supply Store; J. E. Parker; Reta Carrie Rogers Clark, publisher Republican Times, newspaper; B. W. Gallup, druggist; Mrs. May Haley; Mrs. John W. Black, saleslady; O. G. Haley, the Racket; Mrs. Joe D. Lewis, saleslady; Norton Burkeholder, banker and farmer; Earl Whitnel, insurance; John M. Moore, salesman, Witten Hardware Co.; hardware; T. N. Witten, hardware; John E. Todd, salesman; C. S. Mack, farmer; Lafe Gee, farmer; Mrs. George Hubbell, property owner; Mayda B. Young, property owner; W. J. Young, property owner; Mrs. Irvin Mitchell, property owner; M. R. Williams, painter; Kemp Ucott, grocer; Charles A. Pennell, property owner; Al Munesey; Bernard Sawyer; H. W. Foster; B. F. Warren, probate judge; Hatfield Transfer Co.; Pearl Agee; Ernest Ellington; Harry Phillips; Pauline Phillips; Helen M. Hall, property owner; John C. Hall, property owner; Ella Gemtry, property

owner; A. P. Hall, property owner; Mrs. B. F. Rench, property owner; B. F. Rench, property owner; Mrs. B. A. Dockery, property owner; Alice Stamper, property owner; Mary Briegel, property owner; Stella Whorton; E. E. Whorton, butcher; Bruce Stamper, property owner; J. R. Hatfield, property owner; James H. Skinner, property owner; J. H. Huntsman, R. I. employee; H. D. Victor, salesman; B. G. Elsen, R. I. employee; W. W. Warren, engineer; E. P. Bean, grocer; Henry Crawford, R. F. D. 9; Ilma I. Ralls, treasurer Grundy Co.; L. K. Williams, property owner; G. F. Stanturf, laborer; M. H. Mooney, recorder; Mae James, court reporter; A. G. Knight, circuit judge; Charles G. Mullins, new and second-hand furniture; Mrs. Charles G. Mullins; Walker's Tire Shop, by Boyd Walker; J. R. Duke, salesman; Roy Runnells, machinist; Harry Whorton, grocery; Montie French; O. P. Nisbeth, Chevrolet dealer; Paul E. Smith; O. E. Biggerstaff, bookkeeper; Dave Salesbury, mechanic; Jesse L. Horn, mechanic; H. C. Williams, truckman; H. O. Ford; O. F. Hall, mechanic; H. M. Pettit; Dick Overton; James H. Brazelton; Mrs. Herbert Brown, property owner; J. E. Todd, minister; Depuy Grocery Co.; Fred Depuy, grocer; Chas. Maxey; R. V. Gilluly, engineer; Mrs. R. V. Gilluly; L. E. Boyce, property owner; Martha F. Boyce, property owner; Lee Clapp, auctioneer; Osie Clapp; Mrs. Roy L. Miller, property owner; Mrs. Birtha Lisure, property owner; Mrs. Walter H. Shanklin, property owner; W. F. Rush, train dispatcher; Mrs. W. F. Rush; Dr. G. C. Clark, dentist; Ray Vanmeter, newspaper; E. E. Hamilton, granite works; Walters (Inc.), ready to wear, A. E. Beckman, manager; O. R. Rooks, physician and surgeon; Mrs. Amy Rooks, housewife; Mrs. Mary Jane Gardner, housewife; H. R. Morris, property owner; H. S. Draper, C. R. I. & P. water service foreman; Henry R. Smartt, railroad employee; Ola Stinnett, railroad; Chas. Stuart, stone mason; Walter Sloan, machinist; Raymond Croy, engineer; Roy Ewing, carpenter; E. A. Duffy; Dura Garner; Mrs. Ura Garner; J. E. Warner, carpenter; F. H. Bayne, radio; Chas. Ford, cafe; T. E. Moore, physician and surgeon; H. X. Hoffman, retired; J. E. Akers, stock buyer; Chas. Baumbauer, Rock Island; W. E. Pennell Jewelry Co.; W. E. Pennell, jeweler; G. N. Liston, engineer, C., R. I. & P.; Mrs. O. P. Nisbeth; Edward Inman, contractor; G. W. Belshe, physician; D. W. Conrads, printer; R. E. Kavanaugh, lawyer; S. M. Filipcsak, C., R. I. & P.; Geo. B. Simons, property owner; S. J. Fleshman, manager, C. D. Thrift Store; James Rader; I. A. Shirley, Brown Bilt Shoe Store; W. W. Brummitt, Standard Oil Co. agent; G. W. Herod, R. D. I. agent; Mrs. G. W. Herod, stenographer; G. H. Titcomb, ex-mayor, merchant; Mrs. O. T. Gillilen, millinery; Mrs. Eva Walters; G. E. Cline, conductor; Geo. Lamme, bkm., Continental Oil Co.; Virgil R. Muse; Herman Hooper; F. W. Bryant, Mid-Continent Petro. Corporation; Fred Wallace, Wallace Machine Shop; R. Haughenbury, Goodrich Tire Shop; J. H. Geath, cleaning and dye works; Laura Vaughn; L. O. Graham, merchant; C. A. Tuttle, merchant; Mrs. George Hall; Byrd M. Hall, insurance agent; Mrs. Joe Embry, farmer; C. M. Froman, blacksmith; A. R. Bosley, farmer; J. F. Thomas, farmer; Fred W. Asman, shoe repairer, 812 Main; Fred Asman, shoe repairer, 818 Main; C. G. Hickman, barber; W. E. Conduitt, property owner; Hickman McReynolds, barber shop; Cliff McReynolds, barber; Derb McReynolds, barber; R. H. Callan; Ash Rose, tailor; I. D. Mitchell, property owner; Grundy Co., Lumber Co., lumber; Murk L. Mahaffie, lumber, manager; R. J. Martin, agent Express Co.; C. D. Maxwell Music Co.; Elsa Walker, barber shop; W. H. Shanklin, cashier, Trenton National Bank; Riggs Creamery, J. T. Riggs, manager; Lucile Davenport, secretary to J. T. Riggs; Gail C. Flesher, sheet metal works; Chas. Cyphers, carpenter; W. M. Thomas, laborer; John H. Kincaid, property owner; J. M. Kerr, property owner; Laura Kelley, property owner; Mrs. Allie Kerr, property owner; C. E. Teegarden, property owner; Oren Holmes, property owner; T. H. Rader, property owner; C. P. Harris; Cora Atwood; Chas. McQuerry; Columbus Atwood; N. M. Ridgway; John H. Chaney.

STATE OF MISSOURI,
County of Grundy, ss:

I hereby certify that the above and foregoing is a true and correct copy of the original petition this day exhibited to me.

Dated at Trenton, Mo., this 16th day of June, 1930. My commission expires March 30, 1934.

(Signed) LILLIE MARTIN,
Notary Public for Grundy County, Mo.

The original, bearing the signatures of the signers, is in the air mail in transit to me. I expect to receive it by morning.

This protest, signed by 320 of the leading business and professional men and women of Trenton, reflects the will of the people of Trenton and vicinity. The signers are the bone, sinew, and strength of the citizenry of that progressive community. The persons who signed this protest are bankers, merchants, lawyers, doctors, dentists, officials, property holders, and, in short, a very large majority of the leading men and women of Trenton. Practically every person who signed the document dated June 14, 1929, signed the telegram of June 17, 1930.

Is there any reason why the Trenton people can not have their way in this matter? Is there any argument against locating the Federal building where they want it, where they say will best serve their needs, and where the Government already has a site bought 20 years ago and paid for?

An effort will be made to add this $25,000 appropriation to the pending deficiency bill. I shall oppose such action. I am confident we can prevent action on this amendment in the House, but if the Senate votes this prodigal and unnecessary allowance I hope you will help me defeat the proposal when the bill comes back to the House. I may conclude to say something more about this proposal, and I may have some more telegrams to make public in reference to the flouting of the will of the people of Trenton in relation to the location of their public building.

I want to represent the people of Trenton and reflect their will. I want them to have what they want, which is no more than they have a right to demand. I ask unanimous consent to revise and extend my remarks, and in connection therewith print the statement signed on June 4, 1929, to which I have called your attention; also permission to print in my remarks the message I received to-day from approximately 320 business, professional, and representative men and women of Trenton, insisting on the construction of the building on the old site; also two messages signed by the man who is largely responsible for this movement to purchase a new site, which will cost the United States Treasury $25,000, in which messages he says that his objection to the present site is withdrawn because of the fact that this new hotel is being built, and in which he asked a year ago that the Government build its structure upon the lot which it has owned for 21 years. Also I ask unanimous consent to extend my remarks in the RECORD. [Applause.]

The CHAIRMAN. The gentleman from Missouri asks unanimous consent to extend his own remarks in the RECORD and also to include therein the documents mentioned by him. Is there objection?

There was no objection.

Mr. WOOD. Mr. Chairman, I yield 15 minutes to the gentleman from Nebraska [Mr. SLOAN].

Mr. SLOAN. Mr. Chairman, I have listened with interest to the debate this afternoon. Although my name was early on the list, I gave way to accommodate a number of friends, and the last was very significant. My good friend from Missouri [Mr. LOZIER], whose companionship I enjoy on one of the committees, importuned me to yield him my place on this program. I readily did so and I am glad of it. I did not understand his purpose, but it was, under the circumstances, a laudable one.

His speech was submitted in defense of the good name of the great State of Missouri. Just preceding him there was a speech delivered from this stand in which the good name of the State of Missouri was assailed by one of its licensed defenders [Mr. NELSON]. Or perhaps Missouri is in a lamentable condition. If it were true, and the greater the truth the greater the libel, his offense is serious indeed. It is not true through the West generally that the farms and the farmers are in a deplorable condition. Foreclosure of mortgages and nonpayment of taxes may be a condition peculiar to the State of Missouri, but it is not to the trans-Mississippi agricultural States outside of Missouri. [Applause.]

I can now see how my shrewd and able colleague Judge LOZIER, listening to the Jeremiah of Missouri maligning his fair State, finding fault with the almost unanimous action of the House of Representatives last spring on farm legislation, and scolding favorable tariff legislation, hoped he could divert attention of the House from the slanderous statement of his colleague. This he attempted by introducing to the Members of this body a post-office row in a city in his district which was given from the bounty of the Government $100,000 to add not to the poverty of Missouri, but to her prosperity.

It is one of the finest cases of political interference and forensic strategy I have seen in a long time. I have seen moves like that in a football game, but never in a forum like this such as we have witnessed here this afternoon. I am tempted to call it protection, but that were anathema to many in Missouri.

With reference to the tariff legislation which has been enacted by the House and Senate and so promptly signed by the

President of the United States, it follows the promise of the Houston convention and fulfills the pledge of the Kansas City convention. It has raised, from a tariff standpoint, the rates of agriculture up to, yes, and above, the rates of pure industrials. There has not been submitted up to this good hour by any man on the Democratic side, or in the press of this country, a statement backed by facts which shows that agriculture has not been given a substantial parity with industries in the United States under the Hawley-Smoot bill. [Applause on the Republican side.]

Mr. JOHNSON of Oklahoma. Mr. Chairman, will the gentleman yield?

Mr. SLOAN. Yes.

Mr. JOHNSON of Oklahoma. Then if practically every newspaper in the United States says the Grundy tariff bill will not do what the gentleman says it will, but exactly the opposite, they are all wrong and he is right, I presume.

Mr. SLOAN. I am not dealing in conundrums. We know that every newspaper does not say anything of the kind. Seventy-five papers in my district come to my desk every week. They do not say any such outlandish and baseless thing. They may not agree precisely on the subject, but none of them attempts to repeal the Arabic notation by challenging indisputable facts.

Mr. JOHNSON of Oklahoma. Will the gentleman yield for another question?

Mr. SLOAN. If it is a question and not a conundrum.

Mr. JOHNSON of Oklahoma. I shall ask the gentleman a straight-out question. Will the gentleman tell us frankly——

Mr. SLOAN. That is the only way I speak.

Mr. JOHNSON of Oklahoma. Just how is the tariff bill going to help the wheat situation, in which his farmers and my farmers are interested?

Mr. SLOAN. It will help wheat as it has heretofore. It has given wheat on an average in the last 10 years substantial protection. I am not talking by book, or by theory. Because dealing in those matters and on a fairly large scale I know whereof I speak. I wait, and the country waits, after the deliverance by the President, after the statement of Mr. HAWLEY, for some paper or some man to submit a statement of facts from reputable sources to show that agricultural rates have not been raised to a parity with industrials. I cite the recent speeches now in the RECORD of Chairman HAWLEY and Congressman WILLIAMSON on this precise point.

Mr. JOHNSON of Oklahoma. Then the gentleman evidently did not hear my remarks on the tariff nor read it in the RECORD, in which I gave many instances wherein agriculture has not been placed on a parity with industries.

Mr. SLOAN. Oh, yes; I heard it—nay more, I endured it. [Laughter.]

Mr. SCHAFER of Wisconsin. The trouble is that some of the papers in some of the large industrial cities think the bill does too much for agriculture, and that is why they oppose it.

Mr. SLOAN. That is eminently true. That is why certain Republicans in the city of New York voted against the bill. That is why many of the metropolitan newspapers, speaking to their favored readers and advertisers, do not want to see products of your constituents and mine in the future be given fair play, or command the prices they should.

Mr. HOGG. Mr. Chairman, will the gentleman yield?

Mr. SLOAN. Yes.

Mr. HOGG. I would not have the gentleman deal too harshly with the Democrats for the reasons that the Democratic Party is not alone in its opposition to this tariff bill. They have with them every international banker, every chain-store operator, every syndicated newspaper alliance, together with the larger importers of the United States.

Mr. SLOAN. Quite true; and what a motley heterogeneous group they make. They are not alone, but they will be more lonely as time goes on.

Mr. BOYLAN. Mr. Chairman, will the gentleman yield?

Mr. SLOAN. Yes; I yield to my friend, "Boilen" over with curiosity.

Mr. BOYLAN. No doubt the gentleman is acquainted with the statement of Doctor LONGWORTH, who says that under the new tariff law we will have cheaper medicine. Would it not be well that gentlemen who have these disabilities should take a supply of this medicine home with them?

Mr. SLOAN. Well, if any gentleman here is in pain, I will be quite willing to minister to him. I fear my esteemed friend from the "Sidewalks of New York" and the sacred precincts of Tammany has been misinformed. He would unwittingly slander our Speaker, even as the gentleman has slandered Missouri.

Mr. BOYLAN. I want to know about Doctor LONGWORTH.

Mr. SLOAN. How does he happen to be called Doctor? He is a statesman, not a doctor.

Mr. BOYLAN. Well, the University of Pennsylvania has conferred upon him the title or degree of doctor—LL. D.

Mr. SLOAN. Well, any honor that that great institution can give him would command my hearty approval. It will so honor itself. That title is strengthened by the Speaker's participation in the enactment of the new tariff law.

Mr. BOYLAN. Does the gentleman think the doctor would know what kind of a prescription to write?

Mr. SLOAN. I do not know what kind of prescription he would write or what disposition he would make of the corpse after he has administered the medicine. If you take his political prescription, you will improve, and your constituents will profit thereby. [Laughter.]

Now I am going to deliver a speech that I prepared some time ago. I thank the chairman of the Committee on Appropriations [Mr. WOOD] for giving me the time. It was his vigorous remarks in the early part of the year that gave me the inspiration for the studies I have made and for the speech I prepared.

I do not desire to detain you unduly. I have looked over this vast extent of the public domain and at the unoccupied and deserted galleries above. It is a wonder some Missourian does not try to file on it as a homestead in this their calamitous time.

Mr. JOHNSON of Oklahoma. Mr. Chairman, will the gentleman yield?

Mr. SLOAN. Yes.

Mr. JOHNSON of Oklahoma. May I suggest that if the people of the United States had known that the distinguished and able gentleman from Nebraska would speak in this Chamber this afternoon I am sure the gentleman would not feel compelled to complain of the deserted House galleries. In fact, there probably would not be space in the gallery seats. [Laughter.]

Mr. SLOAN. That is fine. The gentleman's flattering kindness is excelled only by his perfervid imagination. [Laughter.]

Mr. Chairman, early in the present session there was a discussion in the House concerning cooperation between the Government and States in controlling and eradicating insects injurious to economic plant life. Much was said inveighing against the large expenditures heretofore made and the alleged small beneficial results.

It appealed to me as most disappointing. Because, all my lifetime connected with the farm, I recalled that crop damage had come under observation in the following increasing order—excessive moisture, frosts, drouths, and greatest of all, insect damage.

There were the army worm, cut worm, chinch bug, grasshopper, and Hessian fly. All had been submitted to at first, then battled against in a crude way; but afterwards through scientific investigation, followed by intelligent contrivance, vigilance, industry, and wise precaution from seedtime to harvest, reduced these pests to the minimum; but not to the point of permanent eradication or extermination.

Then came knowledge of or contact with myriad movements of damaging insects. I have known somewhat and read much of these and considered if unchecked, the probable extent and the vast damage directly or indirectly resulting not only to plant but animal life. The farmer was threatened and affected in his fields and pastures. Consumers, too, would feel the effect in their market purchases.

Neither one man nor a community could cope with the attacks. It required the strong arms of the States and Nation to avert calamity and diminish widespread and repeated damage. Prominent among the battles of dominating man with minute myriads whose numbers made their might was with the pink boll worm of cotton, stated by the Department of Agriculture to be the "most important cotton insect pest in the world."

Proceeding further, R. W. Dunlap, Acting Secretary of Agriculture, said:

> Its original home is India and it has spread by means of commerce into every important cotton-producing country, except the main cotton-producing areas of the United States. It has practically eliminated the production of cotton in Hawaii; in Egypt, where compulsory control is in effect, it causes loss of approximately 25 per cent of the crop; in Brazil the losses from the ravages of this pest in seven States of that republic totaled in one year over $27,000,000. The menace that this pest represents to the cotton industry required the carrying out of drastic measures when it was discovered in 1917 in the vicinity of Trinity Bay, Tex., and in the same year another isolated point of infestation was found near Hearne, Tex. In 1920 two infestations were found in Louisiana, one in the Cameron district and the other in the vicinity of Shreveport. The infested area in these two States

was somewhat larger than the State of Connecticut. All of these infestations were eradicated by enforcing regulations governing the movement and handling of cotton and its by-products, including bagging and other wrappers used in connection with cotton, and by establishing and maintaining noncotton zones in which the planting of cotton was prohibited for a period of from one to three crop seasons. No further infestations have been found in any of these areas. While the pink bollworm has been eradicated in all areas in close proximity to the main cotton belt, we have not attempted to exterminate it from the area bordering on the Rio Grande River, inasmuch as this area would be subject to constant reinfestation from the Mexican side of the river. You will doubtless be interested in knowing that a new outbreak of this pest was discovered last October in the Salt River Valley of Arizona. Needless to say, this outbreak had no connection with the areas in which the pest has been exterminated.

We, who are interested in our fellowmen and know the large place cotton holds in comforting and clothing the human race, may well shudder at the fairly probable results which might well have followed in the wake of this "Red army" if individuals had not been organized and reinforced by our Government forces.

The tremendous damage in Brazil, Egypt, and Hawaii speaks volumes for the energy and efficiency of the northern republic which came into being at the expense of precedent, grew and waxed strong by observing sound principles. It was always able to see in the onward movement of things new bases for expression of principles which they feared not to adopt, nor to abandon the old when the necessities or great opportunities warranted.

That paternalism has been disapproved in America does not mean that where paternalism in a properly guarded way is the only path to self-preservation shall not be resorted to. It, like other names, must give way to grim realities.

It, perhaps, would have been better that the dark-hued denizens of the Nile's fertile valley would have used more the national arms and resources. Egypt would have been a more formidable competitor of America in reaping the white-plant wool for her own and British commerce.

The three plagues of Egypt, flies, lice, and locusts, came, influences their suffering and damage. When their punitive campaign was over they took that cover history furnishes—oblivion.

But the bollworm is in Egypt, and freeing of a race or the crossing of a sea will not remove them.

This bollworm in Brazil, by causing underproduction, has been almost as damaging as the ill-advised valorization of coffee resulting in its overproduction.

Conservation of our forestry means not so much for fuel nor for building as it did years ago, but for beautifying the landscape, tempering weather, affecting climate and season, and controlling flood and erosion its importance grows.

Arbor Day observances evidences this fact. J. Sterling Morton, eminent Nebraskan, was the father of this day, now observed in every State, Territory, and dependency under the flag. The two great obstructions are forest fires and destructive insects. The latter are the communists of our sylvan areas.

Among the most destructive of these arboreal pests is the gypsy moth (Lyparidæ, Porthetria). Well named, as it surreptitiously seizes the most beautiful in its path and leaves behind a blasted and unsightly landscape. Its areas of activity are where beauty, comfort, and sentiment, more than large utility, abound.

The Secretary, speaking on this topic, wrote:

The gypsy moth was introduced into the United States in 1869, and has become firmly established over large areas of the New England States. In 1923, to prevent its spread to uninfested regions outside of the New England States, including isolated points where it had been eliminated, a barrier zone was established, which has since been successfully maintained. This zone extends from Canada to Long Island, and is approximately 35 miles wide. It is scouted very thoroughly and all infestations occurring within it are immediately eliminated. Prior to the establishment of this zone the gypsy moth had been discovered in six isolated points in sufficent size to require work of more than one season. The size and intensity of these infestations vary considerably and were at the following points:

Locality	Date of discovery	None found since—	Last date scouted	Size of infestation
Geneva, N. Y.	June, 1912	1913	1919	One nursery.
Cleveland, Ohio	Feb. 3, 1914	1915	1920	2½ miles by ½ mile.
North Castle, N. Y.	May 7, 1914	1917	1920	15,000 egg clusters in ¾ square mile.
Rutherford, N. J.	Summer, 1914	1916	1920	219 clusters in 100 acres.
Brooklyn, N. Y.	June, 1920		1921	Prospect Park.
Loretto, Pa.	Summer, 1920	1922	(1)	One estate.

[1] Repeated.

The most serious infestation was that at North Castle, N. Y., which was discovered in May, 1914, a short time prior to the hatching of the eggs, and which was not eliminated until after the work of 1916. It covered an area approximately three-quarters of a square mile, in which more than 15,000 egg clusters were found.

Besides the infestations listed above, a very heavy infestation of the gipsy moth was found in New Jersey in 1920. This infestation included most of Middlesex, all of Somerset, and extended into Union and Hunterdon Counties. Prior to its discovery infested materials had been shipped from this area and caused the establishment of the moth at 12 points other than those mentioned above. All of these incipient outlying infestations have been eradicated and, with the cooperation of the State of New Jersey, the major infestation in that State has been so very greatly reduced that it is hoped eradication will be completed within the next two or three years. The work that the department has done has made it possible to release a large part of the area which was known to be infested and the success of this effort is assured.

THE SWEETPOTATO (BATATAS BATATAS) WEEVIL

The sweetpotato weevil is the most destructive insect enemy to the sweetpotato. It was introduced into the United States prior to 1875. In 1916 a rather extensive infestation was discovered in an important sweetpotato area of northern Florida. By 1919 this infestation covered approximately 340 square miles, and some 200 square miles of immediately surrounding territory was included in the danger zone. The menace that this insect presented to this important crop and its movement from the State prompted the development of a campaign of eradication. The eradication work in this area—that is, Baker County, Fla., and Charlton County, Ga.—was begun in 1919, and since 1924 no specimens of the weevil have been found in these two counties. This weevil has also been eradicated from another infested area in Florida. In 1920 it was found over a considerable area—involving 23 farms—in the vicinity of Lilly, De Soto County. Its eradication from this area was completed in 1923.

This succulent root or vegetable lives up to its saccharine name in appeal to the American palate. Moreover, its production while intensified in the South is being extended to all parts of the country, until it has a distinct economic place, prominent in our market quotations, and recognized in our tariff schedules. The menace of the grasshopper once in 17 years was nothing. For—

> A grasshopper sitting on a sweet-tater vine,
> Along came another grasshopper, and sat down
> On that same tater vine—

brought no terror. But the minute myriads of weevil inspired no song among the producers, no hilarity among the sons of Ham.

That the Government has succeeded in practically eradicating this pest, wherever found, is a fitting reply to many carping criticisms against the department's activity in its far-flung battle line against the enemies of husbandry.

MEXICAN FRUIT WORM

Its name indicating its source impels our thought to our southern border when fruit, especially the citrus, challenges cotton, cane, and rice for a place among the major productions of that developing zone. The heroic and expensive struggle of those interested, backed by the Department of Agriculture, aided by our Treasury, has done much to preserve that threatened industry. Their substantial success has gone far, not only to place fruit in hotel, hospital, and home the year round, but has made it possible for fresh fruit, principally citrus, to take its place with bread and meat on the table of many of limited means. Many of us are not too old to remember when years passed without fresh citrus fruit being on the home table. Then our appetizing eyes and appealing palates rebuked our slim purses or close fists.

The Secretary wrote:

The Mexican fruit worm, a major pest to a large variety of tropical and subtropical fruits, was introduced from Mexico into the citrus-growing areas of the lower Rio Grande Valley in Texas in 1927. This infestation was eradicated by 1928 and two incipient reintroductions from Mexico which occurred in 1929 have likewise been successfully eradicated. In carrying out the eradication of this pest it has been necessary to require the maintenance of a period of six months during which no fruits are allowed to exist in a stage susceptible to attack by the worm. This has necessitated the elimination of all fruits which ripen during the summer period. To accomplish this the citizens in this community have willingly destroyed all trees and plants producing fruits in the summer in order to protect their main fruit industry, i. e., the citrus, which is susceptible to attack of the worm from October until March.

For nearly 50 years the Argentine ant, perhaps unknown to nearly all of us, but realized to the fullest extent by those in the regions of its activity, has balked private and local efforts to

curb or eradicate it. Yet the Agriculture Department is able to announce substantial progress and prospective success.

The same authority, heretofore quoted, says:

The Argentine ant, a native of tropical America, was introduced into the United States near New Orleans in 1887. Besides being injurious to a large variety of fruit and truck crops, it is a household pest of considerable importance in the States where it has become established. The importance of this insect pest has caused the State Department of Agriculture of Mississippi to undertake efforts to eradicate it, and as a result of this work the ant has been eradicated from Shaw, Agricultural and Mechanical College, Moss Point, Osborn, Quitman, and Newton, Miss., and work is now being carried on at a number of other points with a promise of early success.

I read with regret, but without complete conviction, the somewhat nonmilitant statement as to the corn borer, the leading plant menace in the country, because it attacks the greatest American cereal plant, the second on the globe. It is true that the corn borer is no strange enemy to the food-producing nations. It is also true that the consensus of opinion abroad wherever this invading legion comes is announced as tolerated by the farmers instead of being exterminated. Their methods have been in line with their custom of using cornstalk and all. So that their economy makes a palliation of their trouble. They let the cancer grow and seasonably resort to the lance to stay progress but not to terminate existence. America's regal crop is not planted nor harvested upon their kind of scale.

We can adopt their Fabian policies and live. But that is not the American way. I do not believe that we have had the last word in our hospitality to this unwelcome guest. I hope and expect that American genius and enterprise rising as they always have to meet difficulties, remove obstructions, and defeat foes will evolve a plan which, pursued with vigor, will dispose of our greatest pest as it has those herein recited, and others, among which are the progressive eradication of hog cholera, tuberculosis in livestock, and the cattle tick. Of this pest the Secretary makes the following succinct statement:

Certain types of insect pests, such as the European corn borer and the Japanese beetle, now occupy large areas and attack a large variety of plants. Their eradication is impracticable, as these insects are able to spread by natural means, but the establishment and maintenance of quarantines, which prevent their long-distance spread and the establishment of new foci of infestation, are of great benefit to the country. These quarantines not only delay the time when uninvaded regions will be subject to losses caused by these insects, but provide an opportunity for investigational work to develop methods of preventing spread, for the introduction of parasites which will aid in checking the pests, for the development of resistant varieties of crops, and for the adoption of sanitary measures in an effort to reduce the losses caused by these pests. In the case of the corn borer incipient infestations have been discovered from time to time at points in New Jersey, Pennsylvania, Kentucky, and Illinois. Intensive clean-up measures have been successful in eliminating these infestations and thus preventing the establishment of isolated foci which would tend to expedite spread of the borer.

The cattle tick, which is the carrier of southern, splenetic, or tick fever in cattle, the most serious obstacle to the cattle industry of the South, was probably introduced into this country during the early Spanish colonization of Mexico and southern United States. Up to 1906, when the department, in cooperation with the interested States and southern cattle owners, undertook tick eradication on a country-wide basis, this pest had spread to 15 Southern States, infesting a total area of 728,565 square miles. The States involved were Alabama, Arkansas, California, Florida, Georgia, Kentucky, Louisiana, Mississippi, Missouri, North Carolina, Oklahoma, South Carolina, Tennessee, Texas, and Virginia. This entire area, aside from the disease and condition losses occasioned by the fever tick, was held under a quarantine which greatly restricted the market for and value of all cattle in the area. A conservative estimate made in 1906 placed the annual loss caused by cattle ticks in the United States at $40,000,000. The enforcement of quarantine regulations controlling the movement of cattle from this area has almost completely protected the free area of the United States from infestation, and the cooperative work of tick eradication, which has been in progress since 1906, has resulted to date in freeing from the tick embargo 79 per cent, or 577,367 square miles. Ten of the fifteen States which in 1906 were in quarantine in whole or in part have been completely released from Federal quarantine. These States are Alabama, California, Georgia, Kentucky, Missouri, North Carolina, Oklahoma, South Carolina, Tennessee, and Virginia. The eradication of the cattle tick from the United States is going forward systematically and each year is reclaiming more territory from the pest.

Sitting as America is, on the top of the world, in its preeminence, lies that danger incident to envy, jealousy, and hate, which must arise from many quarters. It is not in armies nor in navies, because we have the men and the means to meet emergencies that no nation, or any part of the globe can match. Nor is it from contesting wealth, because that is ours. Not in intelligence, because in this our Nation unquestionably excels. We are alert to the enemy who pass by our Coast Guard, and speak the language of communism. What we have we propose to defend. As our standard is, that we will maintain. Giants among men, the great and powerful among nations, we do not fear. Gulliver in all his desert travels feared not the lion stalking, nor the great beast of the jungle. The barbarian with a sword did not make him afraid. His danger and imprisonment came in the united attack of Lilliputians, no one of whom, with best of arms, could more than make his presence known. Bound by the multitude he was helpless.

The genius of Swift is maximized in depicting the assault, restraint, imprisonment, and petty torment by the Lilliputians. Not hazard of the storm, wreck of the ship, fear of jungle monarchs, warriors bold, or giants great, impress his readers like his persecution by the littles—the Lilliputians.

So there are many not mere Jeremiahs forecasting calamities. Those who see us in our exalted natural position; see the decennial census with its human multiplication; see the erosion of soil, depletion of our forests, the fast disappearing fertility of our fields, look forward to the coming of the small and the many which feeding themselves will bring famine to our Nation and race. You will probably observe from my remarks and quotations the fact that nearly all the pests discussed have come from other nations, who do not and can not control them.

The national lines which limit our areas are no barrier to the insect incursion from other jurisdictions.

Our citizens, communities and States should be vigilant, active, and repellant. Our Nation should lead in this defense. When so engaged, commendation, rather than condemnation, will be the best evidence of statesmanship. [Applause.]

Mr. AYRES. Will the gentleman permit me to yield two minutes to the gentleman from Tennessee [Mr. FISHER]?

Mr. WOOD. Very well.

Mr. AYRES. I yield two minutes to the gentleman from Tennessee [Mr. FISHER].

Mr. FISHER. Mr. Chairman and members of the committee, as one of the House conferees on the Muscle Shoals legislation, I would like to present to the Members of the House the Reece leasing bill with the provisions taken out which relate to the leasing of the Wilson Dam, with its electric energy and the building and control of the proposed Cove Creek Dam, which would be necessary to comply with the offer of the Senate conferees. The offer made by the Senate conferees was that they—

would consent to the proposal of the House to the extent of leasing, as provided in the House resolution, all the fertilizer and nitrate properties at Muscle Shoals; that the House should agree to the Senate proposal of Government operation of the power facilities at Muscle Shoals.

In other words, one of the Senate conferees stated that—

We conceded to the House conferees the right to draft their own leasing proposition.

The leasing bill, which was passed in the House May 28, was carefully prepared by a subcommittee of the Military Affairs Committee, of which the distinguished gentleman from Tennessee [Mr. REECE] was chairman. It has been frequently said of it that it was better than all of the proposed legislation about Muscle Shoals which had heretofore been considered by the House. The distinguished chairman of the Rules Committee, the gentleman from New York [Mr. SNELL] stated:

In my judgment the Military Affairs Committee of the House has given careful attention to this bill. They have brought forward for consideration a bill that is carefully worked out. It is a practical solution. The rights of the people are properly taken care of; it does not take any more money out of the Treasury, and in general it is the best bill that has ever been before us and should receive our approval.

A compromise is possible on all conflicting views of the two Houses of Congress as to the disposition of Muscle Shoals.

These are the words of the chairman of the subcommittee, the distinguished gentleman from Tennessee [Mr. REECE] and he and his distinguished colleague from Tennessee [Mr. TAYLOR] know better than any other Members of the House the deep feeling now present among their constituents in their desire to have Muscle Shoals legislation enacted, so that the development of those great natural resources which surround them may be developed and no longer postponed from year to year.

Under the compromise, the House would place into the legislation those parts of the Reece leasing bill which relate to the manufacture of fixed nitrogen for the purpose of making fertilizer bases and fertilizers; the lease to be negotiated by the three members of a leasing board appointed by the President;

those properties which are adapted to the fixation of nitrogen are to be maintained in good condition, ready for immediate operation in the event of war; with laboratories for the study of the processes to keep them modern and reducing the costs of the manufacture of nitrogen and fertilizers. In other words, combining in these plants peace-time activities which will, as originally intended in the Muscle Shoals legislation, also strengthen our national defense.

It will be seen that the Government will furnish the lessee all the electric energy necessary for the manufacture of fertilizers and at the same price as sold to the States, counties, municipalities, corporations, partnerships, or individuals.

Mr. Chairman, I ask unanimous consent to revise and extend my remarks and to insert therein the bill with the necessary changes that are to be made.

The CHAIRMAN. The gentleman from Tennessee asks unanimous consent to extend his remarks in the manner indicated. Is there objection?

There was no objection.

The matter referred to is as follows:

TITLE II

AUTHORIZATION TO LEASE

SEC. 201. That the President of the United States (hereinafter referred to as the President) be, and is hereby, authorized and empowered to appoint three eminent citizens of the United States, one of whom shall be identified with agriculture, and none of whom shall have any financial interest in any public-utility corporation engaged in the business of distributing and selling power to the public nor in any corporation engaged in the manufacture, selling, or distribution of fixed nitrogen, and these three shall constitute a leasing board (hereinafter designated as the leasing board) for the purpose of negotiating the contract or contracts hereinafter authorized, and the term of office of all members of the leasing board shall expire December 1, 1931. The members of said leasing board shall upon receiving notification of their appointment take an oath faithfully to perform the duties imposed by the provisions of this act, and upon the filing of said oath with the President, commissions shall be issued to them, and thereupon the President shall set a time and place for their meeting, when the leasing board shall organize.

The leasing board is hereby directed to appoint appraisers to appraise the United States properties constituting the Muscle Shoals development, separating the same into such parts as the leasing board may direct, and the value of each and all, as determined by such appraisers, shall represent the present fair value of United States properties involved, and shall, after approval by the leasing board, be final for all the purposes of this act: *Provided,* That if two or more leases shall be under consideration the leasing board may direct a rearrangement of the parts and a consequent reappraisal thereof.

The leasing board shall give notice, for a reasonable time and in such manner as to them shall seem most likely to insure the widest circulation, that they are ready to entertain proposals for the leasing of the Muscle Shoals property hereinafter described, and the leasing board shall furnish to any person on demand full information as to the appraised value of said properties or any part thereof. The concurrence of at least two members of the leasing board shall be necessary for any action, except in the case of the execution of a lease or leases which shall require the concurrence of all members of the leasing board. If any member of the leasing board die, resign, or be dismissed by the President for any cause whatsoever, the President shall fill the place thus made vacant.

When the leasing board shall have negotiated a lease or leases for the Muscle Shoals properties as hereinafter authorized, they shall require an adequate performance bond effective for such period of time as the board may determine and shall then execute the said lease or leases by signing their names thereto, and the lessee or lessees shall affix their signatures thereto, and thereupon the draft of such lease or leases shall be submitted to the President, who shall consider the same, and who, in not less than 30 days nor more than 60 days after he shall receive the same, may approve of the same in writing, and if the President shall so approve they shall forthwith become effective and binding upon the Government of the United States and upon the lessee or lessees. But if the President withhold his approval thereof, the leasing board shall have the right to reopen negotiations, and if another draft of such lease or leases be agreed upon and executed, then the same shall be submitted to the President, and the like proceedings be had with reference thereto.

LEASE AUTHORIZATION—PRINCIPLES AND LIMITATIONS

SEC. 202. The said leasing board, subject to the approval of the President as herein provided, is hereby authorized and empowered to enter into a contract or contracts on behalf of the United States for the demise and letting for a tenure or tenures not in any case to exceed 50 years of that part or parts of the properties of the United States generally known and designated as the "Muscle Shoals development," which (in the opinion of the leasing board) are believed to be necessary or may be adapted to the fixation of nitrogen and the manufacture of fertilizer bases and fertilizers, including nitrate plant No. 1, nitrate plant No. 2, Waco quarry, other structures, plants (except steam generating plants), buildings, and machinery, tools, and equipment, but not including that portion of the reservation west of Spring Creek. Such contract or contracts shall be based on the principles and limitations hereinafter set forth.

NITROGEN FERTILIZER BASES AND FERTILIZERS

(a) The use of the United States properties adapted to the fixation of nitrogen in the manufacture of fertilizer bases or fertilizers in time of peace for sale for use in agriculture, and of explosives or the essential ingredients thereof in time of war: *Provided,* That any and all contracts for the demise of any such properties for the production of fertilizer bases or fertilizers shall contain a stipulation that there must be manufactured annually at least a prescribed amount of nitrogenous plant food of a kind and quality and in a form available as plant food and capable of being applied directly to the soil in connection with the growth of crops: *And provided further,* That any and all such contracts shall contain a stipulation requiring the lessee or lessees to produce within three years and six months from the date such lease or leases shall become effective, such fertilizer bases or fertilizers containing not less than 10,000 tons of fixed nitrogen, and shall require periodic increases in quantity of such fertilizer bases or fertilizers from time to time as the market demands may reasonably require, and such lease or leases shall provide that such increases shall within 12 years after such lease or leases become effective reach the maximum production capacity of such plant or plants as the leasing board may find to be economically adapted or susceptible of being made economically adapted to the fixation of nitrogen, if the reasonable demands of the market shall justify the same, except when the nitrogen produced is required for national defense, or when the market demands for same are satisfied by the maintenance in storage and unsold of such fertilizer bases or fertilizers containing at least 2,500 tons of fixed nitrogen, but whenever said stock in storage shall fall below the quantity containing 2,500 tons of fixed nitrogen, the production of such nitrogen and the manufacture of such fertilizer bases or fertilizers shall thereupon be resumed.

(b) The sale of such fertilizer bases or fertilizers shall be at a price to include the cost of production and not exceeding 8 per cent profit on the turnover produced, and the costs shall include whatever may be paid to the Government for the use of that part of Government property employed by the lessee in manufacturing such fertilizer bases or fertilizers and also not exceeding 6 per cent on any capital invested by the lessee or lessees in improvements to existing plants or in additional plants employed for such manufacturing purposes: *Provided,* That there shall not be included as a part of the cost of producing such fertilizer bases or fertilizers any royalty for the use by such lessee of any patent, patent right, or patented process belonging to the lessee, or in which the lessee have any interest, or belonging to any subsidiary or allied corporation, or belonging to or controlled by any officer or agent of the lessee or of any such allied or subsidiary corporation, and if the lessee or lessees should buy any patent, patent right, or patented process with the hope and expectation of thereby reducing the cost of manufacturing such fertilizer bases or fertilizers and/or of processing the same for agricultural purposes as aforesaid, then such sum of money as shall be so paid by the lessee shall be considered and treated in the accounting of the costs of such fertilizer bases or fertilizers as investment in the nature of plant account, and not as current expenses, and such costs shall be written off on the expiration of any junior patent or license so acquired. For the annual determination of the cost of such fertilizer bases and fertilizers there shall be appointed by the administrative board a production engineer, and by the lessee or lessees another production engineer and by these a firm of certified public accountants and these three shall proceed to ascertain and compute the cost of producing such fertilizer bases and fertilizers; and in the event of any disagreement the two said engineers shall select a third production engineer who shall hear and consider the contentions and decide the issues, and such decisions shall be binding upon all parties for the year for which the determination shall have been made. A copy of such audit and decision shall be filed each year with the administrative board and by it preserved. The expenses incident to this provision shall be paid by the lessee or lessees, respectively, and shall be charged as an item in the cost of producing such fertilizer bases and fertilizers. If such annual cost determination discloses that any purchasers have paid a price for fertilizer bases or fertilizers in excess of that allowable under this act, then the lessee or lessees affected shall refund such excess to the respective purchasers.

(c) Such sale of fertilizer bases or fertilizers shall regard the widest practicable distribution, consistent with demand, and preference shall be given in such sales first to farmers and cooperative organizations of farmers, second to States and Territories or State and Territorial agencies engaged in processing and mixing fertilizers for resale to farmers, and these demands being supplied, such sale may then be made to fertilizer manufacturers, mixers, or merchants.

(d) The lessee or lessees shall be required to carry on reasonably continuous laboratory research to determine whether by means of electric-furnace methods and industrial chemistry, or otherwise, there may be produced on a commercial scale fertilizer compounds of higher

grade and at lower prices than farmers and other users of commercial fertilizers have in the past been able to obtain, and to determine whether in a broad way the application of electricity and industrial chemistry may accomplish for the agricultural industry of the Nation what these forces and sciences have accomplished in an economic way for other industries.

(e) The development of electrochemical, and/or ferro-alloy, and/or other industries in addition to the fertilizer industry.

USE OF ELECTRIC ENERGY BY LESSEE

(f) All electric energy necessary for the manufacture of fertilizer bases and fertilizers on the property leased under the provisions of section 202, shall be furnished by the corporation to the lessee or lessees at the same price as electric energy is sold by the corporation to States, counties, municipalities, corporations, partnerships, or individuals.

FORFEITURE AND RECAPTURE

(g) The right of temporary recapture by the United States by order of the President in the event of war for the purpose of producing explosives or ingredients thereof, but if the Government shall exercise this right it shall pay to the lessee or lessees such fair and reasonable actual damages as it or they may suffer by reason of such taking, but not including profits or speculative damages, leasehold value, good will, going concern, and any other intangible factor, and the amount of such actual damages shall be fixed in proceedings instituted in the United States Court of Claims by the lessee or lessees in accordance with the rules and regulations prescribed by that court for such proceedings, and said court is authorized to consider such proceedings as though instituted by departmental reference and may render final judgment.

(h) Permanent recapture by the United States of any or all existing properties so leased, and all rights and interests connected therewith, together with any additions or improvements thereon, in the event of failure by any lessee or lessees to comply with and to carry out the terms of said lease or leases. Suit for permanent recapture may be instituted, at the direction of the administrative board hereinafter authorized, by the Attorney General in the name of the United States, in any district court of the United States having jurisdiction of the lessee, or of any one of two or more lessees affected by such suit.

(i) No lease shall be made to any person or firm except to American citizens nor to any corporation unless the majority stock of same be owned and controlled by American citizens, and any lease shall provide that if at any time the majority stock of the lessee or the lessee corporation shall cease to be under the ownership and control of American citizens, then all rights under such lease shall immediately cease, and the United States, by order of the President, shall have the right of reentry and recapture without any compensation whatever to the lessee on any account whatsoever.

MAINTENANCE FOR NATIONAL DEFENSE

(j) To maintain in United States nitrate plants Nos. 1 and 2, located at Sheffield, Ala., and Muscle Shoals, Ala., respectively, the buildings and equipment therein installed for the production of nitric acid by the oxidation of ammonia and for the production of ammonium nitrate from ammonia and nitric acid, said buildings and equipment to be maintained in an up-to-date condition so that they will be at all times ready for immediate operation in the event of a national emergency, and further such lease or leases shall provide that the administrative board, or its representative or representatives, shall at all times have access to the operations of the plants, laboratories, and the records thereof, in order that they may be kept fully informed as to the status of the fixation of nitrogen and the manufacture of nitrogenous products in their bearing on national defense and agriculture, but such information shall be confidential to the administrative board and shall not be made public.

SETTLEMENT OF DISAGREEMENTS

(k) In any lease contract there shall be incorporated provisions for the adjustment of all kinds of disagreements, and any adjustment made thereunder shall be subject to review in any United States district court as then constituted, subject to the law then applicable to change of venue, except that the right of temporary recapture by the President in the event of war shall be summary and not subject to the provisions of this section nor to any process of any court.

RENTAL PAYMENTS

(l) A fair rental for the use of the properties leased to be paid by the lessee at such times and in such amounts as the leasing board shall determine to be fair and reasonable: *Provided*, That the amount of rental and the time of payment thereof for nitrate plant No. 1 and/or nitrate plant No. 2 as long as either or both may be employed by the lessee or lessees for the fixation of nitrogen for agricultural purposes shall be such as to offer incentives to the operation and continued operation of said plants for the production of nitrogen for use in agriculture.

SEC. 203. All plants, buildings, machinery, and equipment installed by and at the expense of the lessee or lessees, situated upon the property owned by the United States, shall be subject to all of the laws of the State in which they may be situated and the State and political subdivisions in which they may be situated shall have the power to levy and collect taxes in accordance with the normal procedure for the levying and collecting of taxes on such classes of property.

SEC. 204. The leasing board shall keep an accurate record of all its proceedings and shall report from time to time either orally or in writing to the President, as he shall require, and the leasing board shall file a final report in writing which shall be transmitted by the President to the Congress. The members of the leasing board shall be entitled to the actual expenses of travel and subsistence and to a per diem compensation for their services at the rate of $50 a day while actually engaged in the performance of the duties herein imposed, to be paid upon vouchers signed by a member of the leasing board designated for that purpose.

SEC. 205. The President and/or the leasing board hereby is authorized to employ such consultants and secretarial and clerical help as he and/or they may deem necessary and desirable to assist him and/or them in the execution of the powers herein conferred, and the President is authorized to detail to the leasing board from the executive departments such personnel as he may deem advisable.

SEC. 206. In the event that the properties embraced in any lease shall be recaptured by the United States or any lessee shall apply to the President for a change in any stipulation of any lease on the ground that compliance with any such stipulation has become impracticable because of changed economic conditions and/or the development of new scientific and industrial process or processes, the President may appoint a board of three eminent citizens, one of whom shall be identified with agriculture, who, after public notice and full hearing, may negotiate and execute new leases on such properties recaptured or may change the stipulation of any existing lease, subject to the approval of the President within not less than 30 days and not more than 60 days after the draft of such lease or the recommendations of the board as to such change in the stipulations of existing leases shall have been submitted to him: *Provided*, That in negotiating such lease or leases or in making such change in an existing lease the board shall consider the principles herein enumerated and shall be bound by the limitations herein set forth, but shall have no authority to alter the requirements as to quantity and quality production of fertilizer bases or fertilizers.

SEC. 207. If prior to December 1, 1931, or if under the provisions of section 8 hereof, the leasing board, subject to the approval of the President, shall have negotiated and executed a lease under the provisions of this act, then for the purpose of administering such lease and of securing full performance by the lessee of all obligations imposed upon him or them by the terms thereof, the Secretary of War, the Secretary of Agriculture, and the Secretary of Commerce shall constitute a board, which shall be charged with such administrative duties and shall be known as the Muscle Shoals administrative board (herein referred to as the administrative board). The administrative board shall meet at least once each year, and oftener as they may determine, or upon call of the President or of any two members thereof, and shall keep records of all proceedings and shall make an annual report to the President, who shall transmit said report to the Congress.

SEC. 208. The several provisions of this act are hereby declared to be separable, and in the event that any provision of this act shall be held to be invalid it shall not invalidate the remainder of the act; and in such event the President, as he deems best for all parties concerned, may revise the terms of such lease or leases as may be affected by the holding of invalidity. The provisions of this act shall be held to be legally incorporated into the provisions of any lease or leases that may be executed pursuant to the provisions thereof.

TITLE III

SEC. 301. The property described in section 202 shall not be operated by the corporation prior to December 1, 1931, or thereafter if a contract or contracts is executed under the provisions of Title II prior to such date. If no such contract or contracts is executed prior to such date, then the provisions of Title II shall be null and void.

Mr. WOOD. Mr. Chairman, I move that the committee do now rise.

The motion was agreed to.

Accordingly the committee rose; and the Speaker pro tempore, Mr. TILSON, having resumed the chair, Mr. CHINDBLOM, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee, having had under consideration the bill (H. R. 12902) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1930, and prior fiscal years, to provide supplemental appropriations for the fiscal years ending June 30, 1930, and June 30, 1931, and for other purposes, had come to no resolution thereon.

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate by Mr. Craven, its principal clerk, announced that the Senate had passed without amendment bills and joint resolutions of the House of the following titles:

H. R. 593. An act for the relief of First Lieut. John R. Bailey;

H. R. 1029. An act for the relief of Arthur D. Story, assignee of Jacob Story, and Harris H. Gilman, receiver for the Murray & Thregurtha plant of the National Motors Corporation;

H. R. 1306. An act for the relief of Charles W. Byers;

H. R. 1312. An act for the relief of J. W. Zornes;

H. R. 1481. An act for the relief of James C. Fritzen;

H. R. 1494. An act for the relief of Maj. O. S. McCleary, United States Army, retired;

H. R. 2876. An act for the relief of J. C. Peixotto;

H. R. 7205. An act for the relief of Lamirah F. Thomas;

H. R. 7924. An act for the erection of tablets or markers and the commemoration of Camp Blount and the Old Stone Bridge, Lincoln County, Tenn.;

H. R. 8836. An act for the relief of the French Company of Marine and Commerce;

H. R. 8881. An act to carry out the recommendation of the President in connection with the late-claims agreement entered into pursuant to the settlement of war claims act of 1928;

H. R. 10416. An act to provide better facilities for the enforcement of the customs and immigration laws;

H. R. 10668. An act to authorize issuance of certificates of repatriation to certain veterans of the World War;

H. R. 11432. An act to amend the act entitled "An act to provide for the enlarging of the Capitol grounds," approved March 4, 1929, relating to the condemnation of land;

H. R. 11700. An act to extend the times for commencing and completing the construction of a bridge across the Mahoning River at or near Cedar Street, Youngstown, Ohio;

H. R. 11784. An act to provide for the addition of certain lands to the Rocky Mountain National Park, in the State of Colorado;

H. R. 11786. An act to legalize a bridge across the Arkansas River at the town of Ozark, Franklin County, Ark.;

H. R. 11974. An act granting the consent of Congress to the Beaufort County Lumber Co. to construct, maintain, and operate a railroad bridge across the Lumber River at or near Fair Bluff, Columbus County, N. C.;

H. R. 12447. An act to extend hospital facilities to certain retired officers and employees of the Lighthouse Service and to improve the efficiency of the Lighthouse Service;

H. J. Res. 280. Joint resolution to authorize participation by the United States in the Interparliamentary Union;

H. J. Res. 300. Joint resolution to permit the Pennsylvania Gift Fountain Association to erect a fountain in the District of Columbia; and

H. J. Res. 353. Joint resolution providing for an investigation and report, by a committee to be appointed by the President, with reference to the representation at and participation in the Chicago World's Fair Centennial Celebration, known as the Century of Progress Exposition, on the part of the Government of the United States and its various departments and activities.

ALEXANDER M. PROCTOR

Mr. SPARKS. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (S. 3853) for the relief of Alexander M. Proctor, and I ask for its immediate consideration, a similar House bill having been reported favorably from the Committee on Military Affairs of the House.

Mr. CHINDBLOM. Mr. Speaker, a parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state the parliamentary inquiry.

Mr. CHINDBLOM. Is this a House Calendar bill or a Union Calendar bill?

Mr. SPARKS. It is neither one. It is on the Private Calendar.

Mr. STAFFORD. Well, Mr. Speaker, we will have another Private Calendar day, and it is bad practice to bring up these private bills at this late hour of the day. For the time being I object.

The SPEAKER pro tempore. Objection is heard.

THE TARIFF

Mr. HAWLEY. Mr. Speaker, I offer the following concurrent resolution (H. Con. Res. 40) and ask unanimous consent for its immediate consideration.

The Clerk read the House concurrent resolution, as follows:

House Concurrent Resolution 40

Resolved by the House of Representatives (the Senate concurring), That there be printed as a House document 80,000 copies of the tariff law of 1930, in pamphlet form with an index, of which 45,000 copies shall be for the use of the House of Representatives, 21,000 copies for the use of the Senate, 3,000 copies for the use of the Committee on Ways and Means of the House of Representatives, 3,000 copies for the use of the Committee on Finance of the Senate, 5,000 copies for the use of the House document room, and 3,000 copies for the use of the Senate document room.

The SPEAKER pro tempore. Is there objection to the present consideration of the resolution?

There was no objection.

The House concurrent resolution was agreed to.

Mr. GARNER. Mr. Speaker, at this point I think a statement should appear in the RECORD that the resolution introduced by the gentleman from Oregon [Mr. HAWLEY] concerning the printing of the tariff bill will allow, as I recall, if it passes the Senate in the form introduced, about 100 copies to each Member.

Mr. HAWLEY. Yes; a little over 100 copies.

Mr. GARNER. So that the Members may know about the number of copies they will have.

ACHIEVEMENTS AND FAILURES OF THE SEVENTY-FIRST CONGRESS

Mr. JOHNSON of Oklahoma. Mr. Speaker, I ask unanimous consent to extend my remarks on the achievements and failures of the Seventy-first Congress.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma?

Mr. SCHAFER of Wisconsin. Mr. Speaker, reserving the right to object, the gentleman spoke briefly on the tariff to-day, and I assume that part of his remarks will refer to the tariff. Under the reservation I would ask the gentleman if he is not in favor of a protective tariff, particularly when it comes to a protective tariff for oil which is produced in the State of Oklahoma?

Mr. JOHNSON of Oklahoma. If the gentleman is really seeking any enlightenment I would be delighted to read at least one section of my speech in answer to the gentleman's question. I do not hesitate to say that I am not now and never have been a free-trade advocate. I might add that I favored a limited and moderate tariff revision, but not the kind of measure that passed Congress recently and which I understand will be signed by the President to-day.

Mr. HOGG. Mr. Speaker, I maintain it is out of order for the gentleman to make his confession at this time.

Mr. JOHNSON of Oklahoma. Mr. Speaker, I ask unanimous consent to proceed for one minute to answer the gentleman's question. I have not had the opportunity to answer it.

Mr. SCHAFER of Wisconsin. The gentleman can answer it under the reservation. I yield to him.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. JOHNSON of Oklahoma. I want to quote a paragraph from my speech which I propose to insert in the RECORD, which I think will answer the gentleman's question to his full satisfaction.

Mr. MICHENER. Mr. Speaker, I ask unanimous consent that the gentleman insert his answer in the RECORD.

Mr. JOHNSON of Oklahoma. I do not care to insert my answer in the RECORD, as the gentleman suggests; I am going to make it here on the floor. Those of you who heard Will Rogers, a most distinguished citizen of Oklahoma, last Sunday night, on the tariff and other questions, may recall he gave a little rhyme that is apropos to this occasion. He said something like this, as I recall:

Uncle JOE GRUNDY was born on Monday, went to lobbying on Tuesday, was sent to the Senate on Wednesday, said he would not vote for the tariff on Thursday, voted for it on Friday, was defeated on Saturday, was buried politically on Sunday, and that is the last we will hear of Uncle JOE GRUNDY until another tariff bill comes up some Monday.

The SPEAKER pro tempore. The time of the gentleman from Oklahoma has expired.

Mr. JOHNSON of Oklahoma. Mr. Speaker, do I understand the gentleman from Wisconsin withdrew his objection to my request?

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma to extend his remarks in the RECORD?

Mr. SCHAFER of Wisconsin. Mr. Speaker, reserving the right to object, I want to ascertain whether the gentleman is in favor of a protective tariff for oil, which is a great product of the State of Oklahoma.

Mr. JOHNSON of Oklahoma. If the gentleman had listened to a speech I made in the House some time past he would know that I favor protecting the depressed independent oil operator in Oklahoma from the cheap crude imported by the Standard Oil from Mexico and South America.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. JOHNSON of Oklahoma. Mr. Speaker, as we come to the close of the Seventy-first Congress our thoughts naturally turn to the achievements and shortcomings of the session that is about to pass into history.

Administration leaders are beginning to shout from the housetops that the Seventy-first Congress was the most outstanding session in many years; that the record made will go down in history for the constructive legislation enacted, and so forth. I am unable to agree that the session now drawing to a close is "outstanding" except for its extravagance in waste of public moneys and utter disregard for the wishes of the people.

Personally, I have no complaint to make. My colleagues in the House, irrespective of politics, have been very kind and generous to me. At the beginning of my second term in Congress I was honored by being given a major committee assignment—that of flood control. The gigantic problems of flood control are vital to the State of Oklahoma, which I have the honor to represent in part, and I am thankful for the opportunity of being placed in a position to render worth-while service to my State as well as other flood-stricken areas of the country.

In the matter of legislation my colleagues have also been extremely generous to me. My bills have passed the House almost without exception when my colleagues have been given an opportunity to vote on them. I have not flooded the committees with a lot of useless bills, but those I have introduced have received every possible consideration. Several of my measures have been passed by the Congress now coming to a close and enacted into law. Some of these bills are of statewide importance, in which the public generally has been deeply concerned. One of my measures, introduced during the present session and enacted into law, granted congressional consent for the States of Oklahoma and Texas to construct a free bridge across Red River on Highway No. 81 at Terral, Okla., to replace a toll bridge. Another bill that has passed the House, and I have every reason to hope will also pass the Senate and be signed by the President, is my military road bill, making an appropriation of $139,000 of Government funds to match State funds in paving Highway No. 277 through the Fort Sill Military Reservation. This will connect a gap that has long been neglected.

In addition to this I was glad to appear with other Members of the Oklahoma delegation before the Roads Committee of the House and urge an additional appropriation of $50,000,000 in excess of the usual Federal aid, to match the States in the matter of highway construction, making a total appropriation of $125,000,000 of Government funds available for road building in the United States the coming year. This extra Federal aid gives Oklahoma more than $2,000,000 Federal funds for 1930 as compared with about $700,000 received last year. This will mean much in the way of highway construction in Oklahoma and throughout the entire United States.

Congress is to be congratulated for performing its duty in making the additional $50,000,000 of Federal funds, $2,000,000 of which go to Oklahoma for road building, and I am glad to give this Congress due credit for this important legislation. I can not, however, bring myself to agree with administration leaders that the present session of Congress has made a record so outstanding in general that anyone could possibly review its record with any degree of pride.

In my judgment the Seventy-first Congress has demonstrated that it is entirely too "internationally minded" to make a credible record for constructive legislation.

This Congress has been lavish with its appropriations of public funds to foreign governments. A few weeks ago Congress became extremely magnanimous during one of its many spending orgies and gave what is certain to be an outright donation to France of $407,000,000. This, mind you, is aside from the $10,750,000,000 that our Government has given outright to the allied nations on their war loans and interest due and unpaid. The $125,000,000 appropriated for American highways sinks into insignificance when compared with more than $10,000,000,000 given to the various foreign governments.

Now, the $407,000,000 debt that Congress a few weeks ago relieved France from paying to the United States was an additional "item" as referred to by House leaders to the above-mentioned war loan proper and was for war materials bought by France from our Government at 10 cents on the dollar. France had failed and refused to pay the principal or interest on this little "item" for more than 10 years, and Congress gave it back to them over the vigorous protests of several of us on this the Democratic side of the aisle in order, so you said, to show your "brotherly love."

This Congress did not stop there in order to show its magnanimous heart to ungrateful foreign governments. Not long ago you appropriated $20,000,000 to aid people in far-off Russia, said to be in distress. Just who the beneficiaries of this "item" are, or will be, no one seems to know.

It will be recalled that the Congress of the United States has also given financial aid to Chinese who were said to be in want. A bill was pending here for several weeks and, if I recall correctly, was finally passed to appropriate $10,000,000 from the Treasury of the United States for the purpose of feeding certain citizens of Germany represented to be suffering from the invasion of the Ruhr. The reason Germany did not get quite as liberal a donation from the Congress as did China is, I assume, because China is a considerably farther distance than is Germany. The farther away they happen to be from America the more magnanimous this Congress appears to be!

This is appalling when we know that practically every city, as well as the smaller towns, in the State of Oklahoma has seen long bread lines in recent months. The economic situation and the problem of unemployment are admittedly far worse in the East than in the Middle West. No action has been taken on the unemployment bills or other measures for relief that have been pending in Congress so long that the memory of man runneth not to the contrary. For many months we have been fighting for legislation to liberalize the out-of-date World War veterans' act of 1924, and now Congress is threatening to adjourn without final action on the bill passed by the House a few days ago proposing to give a measure of relief to thousands of uncompensated disabled war veterans.

Again we find administration leaders, in their desperate efforts to bolster up the record of the present Congress, are boasting of the wonderful public-building program of this administration. And again I charge that Congress has been entirely too lavish with its appropriations for public buildings for the city of Washington. I am sure that every fair-minded person wishes that our National Capital be cared for in the way of a building program in an adequate manner, but when it comes to denying thousands of cities scattered throughout the entire United States public buildings to which they are entitled, and for which they have patiently waited for many years, and at the same time recklessly and foolishly wasting public funds as is proposed to be done in the city of Washington, I can not refrain from raising my voice in protest. For example, the word has gone forth that some of the most beautiful and substantial buildings in the city of Washington are to be torn down in order to be replaced by architecture that happens to be more pleasing to the esthetic eye of the Building Commission. One of these structures is a beautiful modern marble building on Pennsylvania Avenue known as the District Building, in which is housed the city government of Washington. No one pretends to say it is not in excellent condition; it was completed only 22 years ago at a cost, I am advised by the superintendent of the District Building, of $1,968,877. The building is to-day worth at least $2,000,000, and if constructed under the new tariff rates of the Grundy bill recently lobbied and logrolled through Congress it would probably cost twice that amount to replace it.

Other buildings marked to be demolished because they are said to be distasteful to the overdeveloped esthetic eyes of the commission are the beautiful Post Office Building, towering high above the city on Pennsylvania Avenue; the splendid railroad building nearby; the magnificent State, War, and Navy Building, situated just west of the White House and recognized as one of the most stately and historic buildings in the world. Each of these buildings are built of stone, each cost more than $1,000,000, so I am advised, and are landmarks in the Nation's Capital that millions of school children have journeyed from every nook and corner of the continent to see, along with other interesting spots of historic significance in and about our National Capital.

Of course, Mr. Speaker, the outstanding legislation of the present session is the Grundy tariff bill, passed after about 17 months of tariff tinkering. But those of you who heard my remarks last Saturday on the floor know that I certainly do not consider the passage of that measure an "achievement." As Will Rogers, Oklahoma's most famous citizen, says:

> The Grundy bill is all right, I reckon, for everybody except you folks who don't eat nothin' or wear nothin'.

This, with further apologies to the world's greatest comedian, who tells the unvarnished truth, regardless of whom it may hit:

> Uncle JOE GRUNDY,
> Born on Monday,
> Went to lobbying on Tuesday,
> Sent to the Senate on Wednesday,
> Said he'd vote against the tariff bill on Thursday
> But voted for it on Friday,
> Defeated on Saturday,
> Buried politically on Sunday,
> And that's the last you will hear of Uncle JOE GRUNDY
> Until another tariff bill comes up some Monday.

So, when we speak of the achievements of the Seventy-first Congress, we find that they are so insignificant, so limited, they sink into oblivion when compared with the wanton extravagance, waste, and utter disregard of the common people manifested by administration leaders who have dominated and controlled the entire legislative program of this session now about to pass into history.

JEWISH SOLDIERS IN THE WARS OF THE REPUBLIC

Mr. HOGG. Mr. Speaker, I ask unanimous consent to extend my remarks by inserting a short address by General Crosby on the subject of the part played by Jewish soldiers in the wars of the Republic.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Indiana?

There was no objection.

Mr. HOGG. Mr. Speaker and Members of the House, pursuant to the privilege extended me by unanimous consent of the House, I herewith include an address delivered by General Crosby on June 1 at the Washington Hebrew Cemetery concerning the part played by Jewish soldiers in the wars of the Republic. The address is as follows:

ADDRESS BY GENERAL CROSBY

When Past Commander Kohen of the American Legion asked me to address you I deemed it a pleasure to accept.

During my career with the American Army I came into intimate contact with many Jewish soldiers and officers. I know the patriotism with which the Jewish soldiers have served in all the wars of our Republic. Our history shows that while the Jewish population at the time of the Revolutionary War was very limited, we still have a record of the names of 46 who participated in the fighting of this war, and whose names have come down to us with honor. In the brief War of 1812, 44 Jews are said to have taken part, ranging in rank from private to colonel. And coming to the Mexican War, approximately 58 Jews took part. It is likely that the number was larger, but the published data is comparatively meager. For the statistics for the Civil War, or the War of the States, as I choose to call it, I am indebted to the late Simon Wolf, buried in this cemetery, so well known to local citizens and to our Nation for his book on The American Jew as a Patriot and Citizen. The Jewish population at the outset of the Civil War was said to number less than 200,000, yet we find a record of over 8,000 Jews known to have served in the Union and Confederate forces. We had our great heroes of that day also. Our records show that the congressional medal of honor for conspicuous services was awarded to eight soldiers of Jewish faith. As to the Spanish-American War, which may still be fresh in the memory of some who are present to-day, the Jewish soldier again did more than his duty. This was but a short conflict, yet there is a record of the service of 2,500 Jews, a majority of whom were privates in the ranks. However, it is when we come to the World War that the record of the Jewish soldier comes to the forefront. While the statistics are still being accumulated, the American Jewish Committee has announced that the total number of Jews in the service during the World War may be conservatively estimated as from 200,000 to 225,000, constituting more than 4 per cent of the armed forces of our country, while the Jewish population is but 3 per cent of the total population.

That the Jewish soldier was a brave soldier and did his duty far beyond the call of service is not a matter of mere conjecture and surmise. I would refer you to the volume on American decorations published by the War Department, which contains no less than 1,100 citations for valor awarded to men of Jewish faith. Seven hundred and twenty-three were conferred by the American command, 287 by the French Government, 33 by the British and 46 by various other allied commands. While only 78 congressional medals of honor have been awarded, three of these fell to the lots of Jewish soldiers. The distinguished-service cross is worn by more than 150 American Jews. Four American Jews claim the French medaille militaire, and 174 Jewish soldiers properly wear the croix de guerre. I am further indebted to the American Jewish Committee for the thoroughness with which they investigated the Army records to learn of the commissioned officers of Jewish faith within the military ranks. The names of nearly 10,000 Jewish commissioned officers have been listed. In the Army there were more than 100 colonels and lieutenant colonels, more than 540 majors, 1,400 captains, and upward of 7,000 lieutenants. In the Navy there were 500 Jewish commissioned officers, one even reaching the high rank of rear admiral. In the Marine Corps there were said to be over 60 Jewish commissioned officers including one brigadier general, the late General Lauchelmer who died in the service and now lies buried in Arlington Cemetery.

Just at the edge of this memorial circle wherein we are standing lie buried veterans of three wars, all bearing the name of Augenstein. Moritz Augenstein served during the Civil War; Julius J. Augenstein in the Spanish-American War, and Capt. Melvin Augenstein gave up his life in France during the World War.

And to-day we place a flag upon the graves of Joseph Loeb and Leo Simon, sons of our beloved rabbis who are taking part in this program. They gave up their lives in their early manhood, but their parents are proud of the fact that they were able to serve their country in time of need before they were taken away.

The largest Jewish group, as you are aware, is in the city of New York. Here the recruits in the late war represented all races and all creeds, men who had only recently been subjected to the pogroms of Russia. To stamp the fundamental principles of military discipline on such men was a gigantic task. In a tribute to the Jewish soldier, printed in the Methodist Christian Advocate, 1919, it was stated as follows:

"The 10,000 buttonhole makers and salesmen looked like anything but formidable material to hurl against the Prussian Guard, but they marched out of Camp Upton with the Seventy-seventh Division with their chests out and heads held high, and came back from France with as proud a record as any organization that went overseas. They did their full share in the bloody struggle in the Argonne Woods; and Colonel Whittlesey's heroic 'Lost Battalion,' which held out for four days, though cut off and surrounded by the enemy, was so full of the little clothing workers that some one called it a 'Yiddish battalion.'"

There could be no greater tribute to the patriotism, valor, and Americanism of the Jews than was typified by that of the Lost Battalion.

No individual soldier has a greater record than that of the little tailor, Pvt. Abraham Krotoshinsky. A recruit of the East Side, he had been in this country only a few years and was considered an alien in every sense of the word, but he was awarded the distinguished-service cross for extraordinary heroism in action with the American troops in the Argonne Forest, France, on October 6, 1918. His record is set forth clearly in this following citation:

"He was on liaison duty with a battalion of the Three hundred and eighth Infantry, which was surrounded by the enemy north of the Forest de la Buinone in Argonne Forest. After patrols and runners had been repeatedly shot down while attempting to carry back word of the battalion's position and condition, he volunteered for the mission and successfully accomplished it."

This statement confirms my opinion that America has seen the Jewish soldier do his duty. The Jew has been moved by the same ideals and makes the same sacrifices as any other citizen, and in the light of his services in the Great War he may read his title clear to the name "American." Many of our heroic dead lie in Flanders Field, Suresnes, Belleau Wood, and elsewhere. The star of David is mingled with the cross in beautiful and everlasting marble. As they lived together, fought together, so they lie buried, side by side, "and each of them gave the best in him, and some gave a precious life to a noble and holy cause for the end of a sinful strife." And so we settle back again to the routine of our regular life, "closer bound by far than any instrument could ever hope to measure."

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted—

To Mr. SPROUL of Illinois, for three days, on account of illness; and

To Mr. SUTHERLAND, for four days, on account of business.

SENATE ENROLLED BILLS SIGNED

The SPEAKER announced his signature to enrolled bills and a joint resolution of the Senate of the following titles:

S. 1372. An act authorizing an appropriation for payment of claims of the Sisseton and Wahpeton Bands of Sioux Indians;

S. 3421. An act to authorize the Tidewater Toll Properties (Inc.), its legal representatives and assigns, to construct, maintain, and operate a bridge across the Choptank River at a point at or near Cambridge, Md.;

S. 3970. An act authorizing the Smithsonian Institution to extend the Natural History Building and authorizing an appropriation therefor, and for other purposes;

S. 4283. An act ratifying and confirming the title of the State of Minnesota and its grantees to certain lands patented to it by the United States of America; and

S. J. Res. 190. Joint resolution authorizing the Postmaster General to accept the bid of the Mississippi Shipping Co. to carry mail between United States Gulf ports and the east coast of South America.

ADJOURNMENT

Mr. WOOD. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 21 minutes p. m.) the House adjourned until to-morrow, Wednesday, June 18, 1930, at 12 o'clock noon.

COMMITTEE HEARINGS

Mr. TILSON submitted the following tentative list of committee hearings scheduled for Wednesday, June 18, 1930, as reported to the floor leader by clerks of the several committees:

COMMITTEE ON WAYS AND MEANS

(10.30 a. m.)

Limiting importation packages of cigars. (H. J. Res. 371.)

COMMITTEE ON PUBLIC BUILDINGS AND GROUNDS

(10.30 a. m.)

Authorizing the President of the United States to accept on behalf of the United States a conveyance of certain lands on Government Island from the city of Alameda, Calif., in consideration of the relinquishment by the United States of all its rights and interest under a lease of such island dated July 5, 1918. (H. J. Res. 372.)

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII,

Mr. SMITH of Idaho: Committee on the Public Lands. S. 2865. An act granting the consent of Congress to compacts or agreements between the States of Wyoming and Idaho with respect to the boundary line between said States; without amendment (Rept. No. 1942). Referred to the House Calendar.

Mr. KNUTSON: Committee on War Claims. H. J. Res. 303. A joint resolution to amend Public Resolution No. 80, Seventieth Congress, second session, relating to payment of certain claims of grain elevators and grain firms; without amendment (Rept. No. 1944). Referred to the Committee of the Whole House on the state of the Union.

Mr. LETTS: Committee on the Public Lands. S. 2498. An act to promote the better protection and highest public use of lands of the United States and adjacent lands and waters in northern Minnesota for the production of forest products, and for other purposes; without amendment (Rept. No. 1945). Referred to the House Calendar.

Mr. RANSLEY: Committee on Military Affairs. H. R. 12996. A bill to authorize appropriations for construction at military posts, and for other purposes; without amendment (Rept. No. 1947). Referred to the Committee of the Whole House on the state of the Union.

Mr. WILLIAMSON: Committee on Indian Affairs. S. 615. An act authorizing an appropriation for payment to the Uintah, White River, and Uncompahgre Bands of Ute Indians in the State of Utah for certain lands, and for other purposes; with amendment (Rept. No. 1948). Referred to the Committee of the Whole House on the state of the Union.

Mr. ARENTZ: Committee on the Public Lands. S. 4164. An act authorizing the repayment of rents and royalties in excess of requirements made under leases executed in accordance with the general leasing act of February 25, 1920; without amendment (Rept. No. 1949). Referred to the Committee of the Whole House on the state of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII,

Mr. IRWIN: Committee on Claims. H. R. 12316. A bill for settlement of claim of Allen Holmes; with amendment (Rept. No. 1939). Referred to the Committee of the Whole House.

Mr. CLARK of North Carolina: Committee on Claims. H. R. 10064. A bill for the relief of the International Manufacturers' Sales Co. of America (Inc.); with amendment (Rept. No. 1940). Referred to the Committee of the Whole House.

Mr. VINSON of Georgia: Committee on Naval Affairs. H. R. 11930. A bill for the relief of Sydney Thayer, jr.; without amendment (Rept. No. 1943). Referred to the Committee of the Whole House.

Mr. KNUTSON: Committee on Pensions. S. 3646. An act granting an increase of pension to Mary Willoughby Osterhaus; without amendment (Rept. No. 1946). Referred to the Committee of the Whole House.

CHANGE OF REFERENCE

Under clause 2 of Rule XXII, committees were discharged from the consideration of the following bills which were referred as follows:

A bill (H. R. 3336) for the relief of the Western Electric Co. (Inc.); Committee on Military Affairs discharged, and referred to the Committee on Claims.

A bill (H. R. 10805) granting an increase of pension to Ida C. Noble; Committee on Pensions discharged, and referred to the Committee on Invalid Pensions.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of Rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ZIHLMAN: A bill (H. R. 13015) authorizing the Secretary of Agriculture to convey certain lands to the Maryland-National Capital Park and Planning Commission of Maryland for park purposes; to the Committee on Agriculture.

Also, a bill (H. R. 13016) to encourage and assist the States in providing for pension to the aged; to the Committee on the Judiciary.

Also, a bill (H. R. 13017) to authorize the sale of existing Government property in the city of Hagerstown, Md., and to authorize the acquisition of a new site and the construction of a Federal building there; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 13018) for the purchase of a site and the erection of a public building at Lonaconing, Allegany County, Md.; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 13019) for the purchase of a site and the erection of a public building at Rockville, Montgomery County, Md.; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 13020) for the purchase of a site and the erection of a public building at Silver Springs, Md.; to the Committee on Public Buildings and Grounds.

By Mr. SNELL: Resolution (H. Res. 258) that a special committee be appointed by the Speaker to investigate expenditures of candidates for the House of Representatives, and for other purposes; to the Committee on Rules.

By Mr. SIMMONS: Joint resolution (H. J. Res. 373) making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of such District for the fiscal year ending June 30, 1931, and for other purposes; to the Committee on Appropriations.

By Mr. TAYLOR of Tennessee: Joint resolution (H. J. Res. 374) authorizing an appropriation for establishing and erecting a memorial to the pioneers who crossed the Great Smoky Mountains in the early history of the country, building a memorial highway from the Great Smoky Mountains National Park to the city of Knoxville, Tenn., and for other purposes; to the Committee on the Library.

By Mr. BLANTON: Joint resolution (H. J. Res. 375) to provide for the resumption of athletic relations between the United States Military Academy and the United States Naval Academy; to the Committee on Military Affairs.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BAIRD: A bill (H. R. 13021) granting an increase of pension to Bridget Meenen; to the Committee on Invalid Pensions.

By Mr. CABLE: A bill (H. R. 13022) granting an increase of pension to Mary A. Davis; to the Committee on Invalid Pensions.

By Mr. CRAIL: A bill (H. R. 13023) granting a pension to John Grosbush; to the Committee on Pensions.

Also, a bill (H. R. 13024) for the relief of Walter A. Ham; to the Committee on War Claims.

By Mr. DOUTRICH: A bill (H. R. 13025) granting an increase of pension to Sophia Rademaker; to the Committee on Invalid Pensions.

Also, a bill (H. R. 13026) granting a pension to Clara Stevens; to the Committee on Pensions.

By Mr. EVANS of California: A bill (H. R. 13027) granting a pension to Catherine Barr; to the Committee on Invalid Pensions.

By Mr. JOHNSON of Illinois: A bill (H. R. 13028) granting an increase of pension to Mary E. Carney; to the Committee on Invalid Pensions.

By Mr. KETCHAM: A bill (H. R. 13029) granting an increase of pension to Lucina E. Hurlbut; to the Committee on Invalid Pensions.

By Mr. MORGAN: A bill (H. R. 13030) granting an increase of pension to Martha A. Oden; to the Committee on Invalid Pensions.

Also, a bill (H. R. 13031) granting an increase of pension to Elizabeth Thompson; to the Committee on Invalid Pensions.

By Mr. McREYNOLDS: A bill (H. R. 13032) granting a pension to Martha J. Freeman; to the Committee on Invalid Pensions.

By Mr. WINGO: A bill (H. R. 13033) granting a pension to James Festerman; to the Committee on Invalid Pensions.

By Mr. WOODRUFF: A bill (H. R. 13034) granting an increase of pension to Sarah E. Pratt; to the Committee on Invalid Pensions.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

7584. By Mr. CAMPBELL of Iowa: Petition of the Woman's Christian Temperance Union, of Storm Lake, Iowa, urging that Congress enact a law for Federal supervision of motion pictures establishing higher standards before production for films that are to be licensed for interstate and international commerce; to the Committee on Interstate and Foreign Commerce.

7585. By Mr. CHALMERS: Petition from the Common Council of Toledo, Ohio, urging the construction of a retaining wall on the Maumee Bay for the protection of property from high water; to the Committee on Rivers and Harbors.

7586. Also, resolution memorializing the Congress of the United States to enact House Joint Resolution 167, directing the President of the United States to proclaim October 11 of each year as General Pulaski's memorial day; to the Committee on the Judiciary.

7587. By Mr. GARBER of Oklahoma: Petition of National Retail Dry Goods Association, New York, N. Y., in opposition to House bill 11; to the Committee on Interstate and Foreign Commerce.

7588. Also, petition of Chenoweth & Green Music Co., Enid, Okla., in support of Capper-Kelly bill, H. R. 11; to the Committee on Interstate and Foreign Commerce.

7589. Also, petition of Retail Druggists' Association of Tulsa, Okla., in support of House bill 11; to the Committee on Interstate and Foreign Commerce.

7590. By Mr. O'CONNOR of New York: Resolutions of the New York Mercantile Exchange in opposition to House bill 11096; to the Committee on the Post Office and Post Roads.

SENATE

WEDNESDAY, *June 18, 1930*

Rev. James W. Morris, D. D., assistant rector Church of the Epiphany, Washington, D. C., offered the following prayer:

Graciously attend, O God our Father, the prayers and supplications of Thy people who come unto Thee in Thy Son's name; and that we may obtain our requests, lead us to ask, in all the experiences and exigencies of life, those things that are most in accord with Thy will and with the holy purposes of Thy eternal kingdom. We ask it all in the name of Jesus Christ our Lord. Amen.

THE JOURNAL

The Chief Clerk proceeded to read the Journal of yesterday's proceedings, when, on request of Mr. FESS and by unanimous consent, the further reading was dispensed with and the Journal was approved.

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Haltigan, one of its clerks, announced that the House had passed without amendment the bill (S. 4518) granting the consent of Congress to the Texarkana & Fort Smith Railway Co. to reconstruct, maintain, and operate a railroad bridge across Little River, in the State of Arkansas, at or near Morris Ferry.

The message also announced that the House had agreed to a concurrent resolution (H. Con. Res. 40) authorizing the printing of 80,000 copies of the tariff law of 1930 as a House document, in which it requested the concurrence of the Senate.

ENROLLED JOINT RESOLUTION SIGNED

The message further announced that the Speaker had affixed his signature to the enrolled joint resolution (S. J. Res. 190) authorizing the Postmaster General to accept the bid of the Mississippi Shipping Co. to carry mail between United States Gulf ports and the east coast of South America, and it was signed by the Vice President.

APPROPRIATIONS FOR UNITED STATES TARIFF COMMISSION (S. DOC. NO. 178)

The VICE PRESIDENT laid before the Senate a communication from the President of the United States, transmitting a draft of proposed legislation pertaining to existing appropriations for the United States Tariff Commission which continues the availability of unexpended balances to provide funds during the fiscal year 1931 for performing additional work imposed upon the commission by the tariff act of 1930, which, with the accompanying papers, was referred to the Committee on Appropriations and ordered to be printed.

ENFORCEMENT OF NARCOTIC AND NATIONAL PROHIBITION ACTS (S. DOC. NO. 181)

The VICE PRESIDENT laid before the Senate a communication from the President of the United States, transmitting a draft of proposed legislation pertaining to an existing appropriation for the Treasury Department, for the enforcement of the narcotic and national prohibition acts, which, with the accompanying papers, was referred to the Committee on Appropriations and ordered to be printed.

ACQUISITION OF LAND, FORT BLISS, TEX. (S. DOC. NO. 180)

The VICE PRESIDENT laid before the Senate a communication from the President of the United States, transmitting a supplemental estimate of appropriation in the sum of $281,305 for the War Department, fiscal year 1931, to remain available until expended, for the acquisition of land at Fort Bliss, Tex., which, with the accompanying papers, was referred to the Committee on Appropriations and ordered to be printed.

EXPENSES OF SPECIAL AND SELECT HOUSE COMMITTEES (S. DOC. NO. 179)

The VICE PRESIDENT laid before the Senate a communication from the President of the United States, transmitting a supplemental estimate of appropriation pertaining to the legislative establishment, House of Representatives, fiscal year 1931, for the expenses of special and select committees authorized by the House, amounting to $40,000, which, with the accompanying papers, was referred to the Committee on Appropriations and ordered to be printed.

WORLD CONFERENCE ON POWER AT BERLIN

Mr. NORRIS. Mr. President, I crave the indulgence of the Senate for a few moments while I call attention to some matters of international importance appearing in the newspapers.

In the city of Berlin there is now taking place a world conference on power. In the main I think it is fair to state that the world conference on power is controlled by the Power Trust of the United States. However, these world conferences, it is demonstrated now and was understood by a good many people before, are absolutely under the control of the men in the United States who control our power properties from Boulder Dam to Muscle Shoals.

Ex-Senator Sackett is the American ambassador at Berlin. He was invited as a matter of courtesy to deliver an address before the world conference on power. I think his address was to be and perhaps is being delivered to-day. Yesterday an important piece of news came across the water by cable, sent by the United Press. The representative of the United Press at Berlin obtained definite information with reference to the facts about which I am going to comment briefly. In the afternoon papers of yesterday in the United States there was published this news item from Berlin. I read a part of it only:

AMBASSADOR SACKETT WITHDRAWS SPEECH ON POWER COST AFTER CALL FROM INSULL

BERLIN.—A speech on the power industry, which United States Ambassador Frederic M. Sackett had planned to deliver before the world power conference to-morrow, has been withdrawn.

The speech, in which Sackett criticized the industry on the ground that the cost of power to the consumer is out of all proportion to the cost of production, was canceled after Samuel Insull, Illinois public utilities magnate, had called on the ambassador.

It was understood that during the call he demanded its withdrawal. The United Press obtained details of the incident from an unquestionable source.

PRICE IS FIFTEEN TIMES COST

In the prepared speech, Sackett had written of electric power:

"I know of no other manufacturing industry where the sale price of the product to the great mass of consumers is fifteen times the actual cost of production of the article sold. My purpose is, in short, to define its weakness. That calls for the keenest thought in your deliberations.

"Until the power business is brought in line with other industries in the relationship of its cost of production to the price paid by the consumer of the product, there can be little justification for the thought that this great power industry is rapidly approaching its perfection."

INSULL VISITS SACKETT

Last Saturday morning, while Sackett was absent in Paris, his secretary distributed advance copies of the speech—scheduled to be given at the conference's "American hour" to-morrow—to American correspondents in Berlin.

On Monday morning Insull visited Sackett and was closeted with him for two hours. In that period Insull is understood to have made the demand that the speech be withdrawn. Sackett was represented as replying that since he was merely a guest of the conference he naturally would comply with the wishes of the American delegation.

Insull, although not an official delegate, was said to have responded that his objection to the proposed speech reflected the sentiment of the American delegation.

Sackett's secretary then telephoned to all correspondents who had received the speech for future release requesting them to cancel it.